

EXHIBIT 56

Page 1

IN THE UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

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FEDERAL TRADE COMMISSION, :

Plaintiff, :

v. : Case No.

TAPESTRY, INC., and : 1:24-cv-03109-JLR

CAPRI HOLDINGS LIMITED, :

Defendants. :

- - - - -x

Monday, July 22, 2024

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Confidential

Subject to Protective Order

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Remote Videotaped Deposition of SLOAN TICHNER,
called for oral examination by counsel for the
Plaintiffs, pursuant to notice, before Christina S.
Hotsko, RPR, CRR, CA CSR, of Veritext Legal
Solutions, a Notary Public in and for the District
of Columbia, beginning at 9:30 a.m., when were
present on behalf of the respective parties:

Job No. CS6786201

<p style="text-align: right;">Page 2</p> <p>1 APPEARANCES (Via Zoom)</p> <p>2 On behalf of Plaintiff:</p> <p>3 PETER COLWELL, ESQUIRE</p> <p>4 BLAKE RISENMAY, ESQUIRE</p> <p>5 Federal Trade Commission</p> <p>6 600 Pennsylvania Avenue, Northwest</p> <p>7 Washington, D.C. 20580</p> <p>8 (202) 326-2222</p> <p>9 pcolwell@ftc.gov</p> <p>10</p> <p>11 On behalf of Steve Madden and the Witness:</p> <p>12 MARK C. GRUNDTVIG, ESQUIRE</p> <p>13 JACQUELINE BEVERIDGE, ESQUIRE</p> <p>14 Foley & Lardner, LLP</p> <p>15 Washington Harbour</p> <p>16 3000 K Street, Northwest, Suite 600</p> <p>17 Washington, D.C. 20007</p> <p>18 (202) 672-5300</p> <p>19 mark.grundvig@foley.com</p> <p>20</p> <p>21 On behalf of Capri Holdings:</p> <p>22 CEDRIC LEWIS, ESQUIRE</p> <p>Wachtell Lipton Rosen & Katz, LLP</p> <p>51 W 52nd Street, Suite 29</p> <p>New York, New York 10019</p> <p>(212) 403-1000</p> <p>cmlewis@wlrk.com</p>	<p style="text-align: right;">Page 4</p> <p>1 CONTENTS</p> <p>2</p> <p>3 EXAMINATION BY: PAGE</p> <p>4 Counsel for Plaintiff 09</p> <p>5 Counsel for Tapestry, Inc. 58</p> <p>6</p> <p>7 FURTHER EXAMINATION BY: PAGE</p> <p>8 Counsel for Plaintiff 99</p> <p>9</p> <p>10</p> <p>11 TICHNER DEPOSITION EXHIBITS: * PAGE</p> <p>12 Exhibit PX3025 Excel Spreadsheet, Steve Madden 43</p> <p>Wholesale and Retail Sales,</p> <p>13 January 2019 through April 2024</p> <p>14 Exhibit DX707 SEC Form 10-K 60</p> <p>15 Exhibit DX708 Stella McCartney v. Steve Madden 96</p> <p>Complaint</p> <p>16</p> <p>Exhibit DX709 Valentino v. Steve Madden First 96</p> <p>17 Amended Complaint</p> <p>18 Exhibit DX710 Balenciaga Complaint 97</p> <p>19</p> <p>20</p> <p>21 * (Exhibits attached to transcript.)</p> <p>22</p>
<p style="text-align: right;">Page 3</p> <p>1 APPEARANCES CONTINUED (Via Zoom)</p> <p>2 On behalf of Tapestry, Inc.:</p> <p>3 LAWRENCE E. BUTERMAN, ESQUIRE</p> <p>4 Latham & Watkins LLP</p> <p>5 1271 Avenue Of The Americas</p> <p>6 New York, New York 10020</p> <p>7 (212) 906-1200</p> <p>8 lawrence.buterman@lw.com</p> <p>9 KIMON KIMBALL TRIANTAFYLLOU, ESQUIRE</p> <p>10 NIKKI BOURASSA, ESQUIRE</p> <p>11 Latham & Watkins LLP</p> <p>12 555 11th Street, Northwest</p> <p>13 Washington, D.C. 20004</p> <p>14 (202) 637-2200</p> <p>15 kimon.triantafyllou@lw.com</p> <p>16</p> <p>17 Also Present:</p> <p>18 Ellen Hebert, Video Technician</p> <p>19 Lisa Keith, Steve Madden General Counsel</p> <p>20 Beata Safari, Steve Madden Privacy Counsel</p> <p>21 Alexander Aufrechtig, Steve Madden Associate Counsel</p> <p>22</p>	<p style="text-align: right;">Page 5</p> <p>1 PROCEEDINGS</p> <p>2 VIDEO TECHNICIAN: Good morning. We are</p> <p>3 going on the record. The time is 9:30 a.m.</p> <p>4 Eastern. Today's date is July 22nd, 2024.</p> <p>5 Please note that this deposition is being</p> <p>6 conducted virtually. Quality of recording depends</p> <p>7 on quality of camera and internet connection of</p> <p>8 participants. What is seen on heard on screen is</p> <p>9 what will be recorded.</p> <p>10 Audio and video recording will continue</p> <p>11 to take place unless all parties agree to go off</p> <p>12 the record.</p> <p>13 This is media unit number 1 of the</p> <p>14 30(b)(6) video-recorded deposition of</p> <p>15 Steve Madden. The witness' name is Sloan Tichner.</p> <p>16 This is taken by counsel for the</p> <p>17 plaintiff in the matter of Federal Trade</p> <p>18 Commission v. Tapestry, Inc., and Capri Holdings</p> <p>19 Limited, filed in the United States District Court</p> <p>20 for the Southern District of New York, case number</p> <p>21 1:24-cv-03109-JLR.</p> <p>22 This deposition is being conducted</p>

<p style="text-align: right;">Page 6</p> <p>1 remotely using virtual technology.</p> <p>2 My name is Ellen Hebert representing</p> <p>3 Veritext. I am the videographer. The court</p> <p>4 reporter is Christina Hotsko from Veritext.</p> <p>5 If there are any objections to</p> <p>6 proceeding, please state them at the time of your</p> <p>7 appearance.</p> <p>8 Counsel and all present will now state</p> <p>9 their appearances and affiliations for the record,</p> <p>10 beginning with the noticing attorney.</p> <p>11 MR. COLWELL: Thank you. My name is</p> <p>12 Peter Colwell. I'm an attorney with the Federal</p> <p>13 Trade Commission. And I'm joined by my colleague</p> <p>14 from the FTC, Blake Risenmay.</p> <p>15 MR. BUTERMAN: Lawrence Buterman from</p> <p>16 Latham & Watkins, LLP, on behalf of Tapestry, Inc.</p> <p>17 I have a couple of colleagues who are also on the</p> <p>18 Zoom, and I'll let them introduce themselves.</p> <p>19 MR. TRIANTAFYLLOU: Good morning. Kimon</p> <p>20 Triantafyllou of Latham & Watkins on behalf of</p> <p>21 Tapestry.</p> <p>22 MS. BOURASSA: Nikki Bourassa from</p>	<p style="text-align: right;">Page 8</p> <p>1 So again, Sloan, if you want to introduce</p> <p>2 yourself, and then we'll go through the others</p> <p>3 that are here present as well.</p> <p>4 MS. TICHNER: I'm Sloan Tichner,</p> <p>5 president of handbags for Steve Madden.</p> <p>6 MS. KEITH: And I'm Lisa Keith. I'm in</p> <p>7 the room too. I'm the general counsel of Steve</p> <p>8 Madden.</p> <p>9 MR. GRUNDVIG: And then we have some</p> <p>10 others that are joining through their laptops, so</p> <p>11 if they could introduce themselves, please.</p> <p>12 MS. BEVERIDGE: I'm Jacqueline Beveridge</p> <p>13 of Foley & Lardner. I'm outside counsel on behalf</p> <p>14 of Steve Madden.</p> <p>15 MR. AUFRICHTIG: Alexander Aufrichtig,</p> <p>16 associate counsel for Steve Madden.</p> <p>17 MS. SAFARI: Hi. This is Beata Safari.</p> <p>18 I'm privacy counsel for Steve Madden.</p> <p>19 VIDEO TECHNICIAN: Will the court</p> <p>20 reporter please swear in the witness.</p> <p>21</p> <p>22</p>
<p style="text-align: right;">Page 7</p> <p>1 Latham & Watkins on behalf of Tapestry.</p> <p>2 VIDEO TECHNICIAN: Will all others please</p> <p>3 identify themselves for the record.</p> <p>4 MR. GRUNDVIG: This is Mark Grundvig from</p> <p>5 Foley & Lardner. I am outside counsel for</p> <p>6 Steve Madden. I am sitting with Sloan Tichner,</p> <p>7 who is the corporate representative appearing on</p> <p>8 behalf of Steve Madden for this 30(b)(6)</p> <p>9 deposition. I have some others with me that will</p> <p>10 introduce themselves in a moment, but I also want</p> <p>11 to make clear that Sloan Tichner is appearing</p> <p>12 today pursuant to the subpoena request, and the</p> <p>13 information that she provides we are asserting is</p> <p>14 confidential information and that it should</p> <p>15 receive all the protections that are appropriate</p> <p>16 and due pursuant to the protective order in this</p> <p>17 case.</p> <p>18 And so to the extent any information she</p> <p>19 shares here today, and the parties seek to</p> <p>20 disclose it in further proceedings, we request</p> <p>21 notice and an opportunity to object to any of that</p> <p>22 information being made public in any proceeding.</p>	<p style="text-align: right;">Page 9</p> <p>1 Whereupon,</p> <p>2 SLOAN TICHNER,</p> <p>3 being first duly sworn or affirmed to testify to</p> <p>4 the truth, the whole truth, and nothing but the</p> <p>5 truth, was examined and testified as follows:</p> <p>6 EXAMINATION BY COUNSEL FOR PLAINTIFF</p> <p>7 BY MR. COLWELL:</p> <p>8 Q. Good morning, Ms. Tichner.</p> <p>9 A. Good morning.</p> <p>10 Q. Thank you for appearing here today. As I</p> <p>11 mentioned earlier, my name is Peter Colwell. I'm</p> <p>12 an attorney with the Federal Trade Commission.</p> <p>13 Have you ever been deposed or testified</p> <p>14 before?</p> <p>15 A. No, I have not.</p> <p>16 Q. The court reporter is transcribing</p> <p>17 everything we say today. So for the court</p> <p>18 reporter's benefit and to keep the record clear,</p> <p>19 please try to respond to all of my questions</p> <p>20 verbally instead of using gestures, nods of the</p> <p>21 head or the like.</p> <p>22 Does that make sense?</p>

<p style="text-align: right;">Page 10</p> <p>1 A. Yes.</p> <p>2 Q. Also, please let me know if at any time</p> <p>3 you cannot hear me or see me. Also, let me know</p> <p>4 if you do not understand a question, and I may</p> <p>5 rephrase it or clarify.</p> <p>6 From time to time, counsel may object to</p> <p>7 a question. Unless your counsel instructs you to</p> <p>8 not answer a question, you should still please</p> <p>9 answer the question after the objection.</p> <p>10 We will take periodic breaks. But if you</p> <p>11 need a break at any time, please let me know and I</p> <p>12 will do my best to accommodate you.</p> <p>13 A. Thank you.</p> <p>14 Q. This deposition is being conducted</p> <p>15 remotely, and so we are in different locations.</p> <p>16 Where are you located today, Ms. Tichner?</p> <p>17 A. New York City.</p> <p>18 Q. Other than your counsel, is there anyone</p> <p>19 else in the room with you?</p> <p>20 A. No, there is not.</p> <p>21 Q. Are you aware of anything that would</p> <p>22 affect your ability to give full and truthful</p>	<p style="text-align: right;">Page 12</p> <p>1 A. No, I have not.</p> <p>2 Q. Moving back to your current position of</p> <p>3 president of handbags at Steve Madden, what are</p> <p>4 your responsibilities in your current position?</p> <p>5 A. I manage both the sales and the design</p> <p>6 part of our branded handbag lines.</p> <p>7 Q. Do you have any other responsibilities?</p> <p>8 A. Those would be the primary.</p> <p>9 Q. What were your responsibilities as</p> <p>10 vice-president of handbags at Steve Madden?</p> <p>11 A. The responsibilities were much of the</p> <p>12 same, but I had an intermediate report.</p> <p>13 Q. Can you explain what you mean by</p> <p>14 intermediate report?</p> <p>15 A. Sure. Instead of reporting in to the</p> <p>16 president of the company, I reported in to the</p> <p>17 president of handbags, who in turn reported in to</p> <p>18 the president of the company.</p> <p>19 Q. What were your responsibilities in your</p> <p>20 product development role at Steve Madden?</p> <p>21 A. I worked primarily on handbags that were</p> <p>22 designed to match back directly to the bags in our</p>
<p style="text-align: right;">Page 11</p> <p>1 testimony today?</p> <p>2 A. No.</p> <p>3 Q. I'd like to talk about your current</p> <p>4 position at Steve Madden, Ms. Tichner.</p> <p>5 Can you please tell me what your current</p> <p>6 position is?</p> <p>7 A. Yes. I'm president of handbags.</p> <p>8 Q. And how long have you been president of</p> <p>9 handbags?</p> <p>10 A. About 18 years.</p> <p>11 Q. Have you held any other positions at</p> <p>12 Steve Madden?</p> <p>13 A. Yes. I had a position as vice-president</p> <p>14 of handbags. And I also worked in product</p> <p>15 development.</p> <p>16 Q. Approximately when were you in those</p> <p>17 positions?</p> <p>18 A. 2006 to '7, I believe, I was in product</p> <p>19 development. And then I believe vice-presidency</p> <p>20 through 2008 or 2009.</p> <p>21 Q. Have you held any other positions at</p> <p>22 Steve Madden?</p>	<p style="text-align: right;">Page 13</p> <p>1 retail stores.</p> <p>2 Q. Can you explain what you mean by that?</p> <p>3 A. The handbags and the shoes are on the</p> <p>4 same pad in our own retail stores, so we often</p> <p>5 have handbags that might have characteristics more</p> <p>6 closely related to the shoes than we would in,</p> <p>7 let's say, the wholesale piece of the business</p> <p>8 where they are separate.</p> <p>9 Q. Thank you for explaining that for me,</p> <p>10 Ms. Tichner.</p> <p>11 Moving back to your current role and</p> <p>12 responsibilities, do you have any role in pricing</p> <p>13 of handbags?</p> <p>14 A. Yes. All of the pricing structure, I</p> <p>15 manage sales and design, so sort of at the end.</p> <p>16 That's, like, all funnel in together, so the</p> <p>17 answer would be yes.</p> <p>18 Q. Do you have any role in marketing</p> <p>19 handbags?</p> <p>20 A. Small. Most of our marketing is done</p> <p>21 corporately.</p> <p>22 Q. Do you have any role related to the</p>

<p style="text-align: right;">Page 14</p> <p>1 supply chain or production of handbags?</p> <p>2 A. The supply chain and the production piece</p> <p>3 are handled by my counterpart.</p> <p>4 Q. Who is your counterpart?</p> <p>5 A. Jeff Goldstein.</p> <p>6 Q. What is his title?</p> <p>7 A. VP of global sourcing.</p> <p>8 Q. For Steve Madden?</p> <p>9 A. Correct.</p> <p>10 Q. In your current role, do you have any</p> <p>11 role or responsibilities related to analyzing</p> <p>12 competition?</p> <p>13 A. Yes.</p> <p>14 Q. Can you please describe what that role</p> <p>15 is?</p> <p>16 A. I'm actively responsible for always being</p> <p>17 conscious of other brands that are selling</p> <p>18 handbags in the same retailers that I operate in.</p> <p>19 Q. Before joining Steve Madden, did you have</p> <p>20 a job that concerned handbags?</p> <p>21 A. Yes.</p> <p>22 Q. What job or jobs were those?</p>	<p style="text-align: right;">Page 16</p> <p>1 A. One -- the financial -- my financial</p> <p>2 partner, who works for the company.</p> <p>3 Q. What is that person's name?</p> <p>4 A. Dante Gioia.</p> <p>5 Q. What is that person's title?</p> <p>6 A. VP of finance and operations.</p> <p>7 Q. And why did you speak with Mr. Gioia</p> <p>8 about this deposition?</p> <p>9 A. It was in reference to the documents that</p> <p>10 were included in the deposition [sic], the</p> <p>11 financial documents, to review the ones that we</p> <p>12 would be presenting today.</p> <p>13 Q. Did you discuss anything else with</p> <p>14 Mr. Gioia?</p> <p>15 A. No.</p> <p>16 Q. For about how long did you speak with</p> <p>17 Mr. Gioia?</p> <p>18 A. Probably about an hour and a half total.</p> <p>19 Q. Do you recall specifically which document</p> <p>20 or documents you discussed with Mr. Gioia?</p> <p>21 A. Yes. May I look at the list of what you</p> <p>22 would refer to them as? I want to just make sure</p>
<p style="text-align: right;">Page 15</p> <p>1 A. I worked as an independent salesperson</p> <p>2 for a small designer.</p> <p>3 Q. What designer was that?</p> <p>4 A. Clara Kasavina.</p> <p>5 Q. Approximately when did you have that job?</p> <p>6 A. 2000 through 2005, I believe.</p> <p>7 Q. And what were your responsibilities</p> <p>8 there?</p> <p>9 A. I was an independent sales rep selling to</p> <p>10 specialty stores across the country.</p> <p>11 Q. What are specialty stores?</p> <p>12 A. It would be small independent retailers,</p> <p>13 as opposed to large chains or large department</p> <p>14 stores.</p> <p>15 Q. Could you provide an example?</p> <p>16 A. Sure. Ritz-Carlton gift shops.</p> <p>17 Q. Do you understand that you are testifying</p> <p>18 today, Ms. Tichner, as the corporate designee for</p> <p>19 Steve Madden in response to a subpoena?</p> <p>20 A. Yes.</p> <p>21 Q. Did you speak to anyone other than your</p> <p>22 counsel about this deposition?</p>	<p style="text-align: right;">Page 17</p> <p>1 I'm calling it the correct document. It's the</p> <p>2 financial sales for wholesale and retail and the</p> <p>3 production data. I have -- I don't know exactly</p> <p>4 what the code number is of your -- on the list of</p> <p>5 documents.</p> <p>6 Q. Unfortunately, I do not have a list that</p> <p>7 I can share with you, but --</p> <p>8 A. Let me see if I can find a reference</p> <p>9 code.</p> <p>10 Q. Was it an Excel document?</p> <p>11 A. Yes. It was an Excel document with a lot</p> <p>12 of tabs with sales data by division.</p> <p>13 Q. Thank you, Ms. Tichner.</p> <p>14 I'd like to talk about Steve Madden's</p> <p>15 business.</p> <p>16 Can you provide a brief description of</p> <p>17 Steve Madden's business?</p> <p>18 A. Sure. We're a fashion-forward lifestyle</p> <p>19 brand that markets footwear, accessories, and</p> <p>20 apparel globally.</p> <p>21 Q. Does Steve Madden sell handbags in the</p> <p>22 United States?</p>

<p style="text-align: right;">Page 18</p> <p>1 A. Yes, we do.</p> <p>2 Q. How long has Steve Madden sold handbags</p> <p>3 in the United States?</p> <p>4 A. I'm not exactly sure of the date that the</p> <p>5 line launched.</p> <p>6 Q. Has it been for the duration of your</p> <p>7 tenure at the company?</p> <p>8 A. Yes.</p> <p>9 Q. What is Steve Madden's primary business?</p> <p>10 A. A shoe company.</p> <p>11 Q. I'd like to discuss Steve Madden's</p> <p>12 handbag brands with you, Ms. Tichner.</p> <p>13 A. Okay.</p> <p>14 Q. Does Steve Madden have multiple brands</p> <p>15 that sell handbags?</p> <p>16 A. We do.</p> <p>17 Q. What are Steve Madden's brands that sell</p> <p>18 handbags in the United States?</p> <p>19 A. Steve Madden, Betsey Johnson,</p> <p>20 Love Betsey, Dolce Vita, Anne Klein.</p> <p>21 Q. Any others?</p> <p>22 A. No.</p>	<p style="text-align: right;">Page 20</p> <p>1 Q. So a company other than Steve Madden owns</p> <p>2 Anne Klein?</p> <p>3 A. That's correct.</p> <p>4 Q. What company owns Anne Klein?</p> <p>5 A. I'm just blanking right now. It will</p> <p>6 come to me, like, in a minute.</p> <p>7 Q. That's okay.</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p>
<p style="text-align: right;">Page 19</p> <p>1 Q. Does Steve Madden own all those brands?</p> <p>2 A. We own all of the brands that I</p> <p>3 mentioned, except for Anne Klein. We just have</p> <p>4 the license to distribute handbags under that</p> <p>5 brand.</p> <p>6 Q. How does Steve Madden conduct business</p> <p>7 for brands for which it has a license, like</p> <p>8 Anne Klein?</p> <p>9 A. Can you repeat the question?</p> <p>10 Q. Sure.</p> <p>11 How does Steve Madden conduct business</p> <p>12 for brands for which it has a license to sell</p> <p>13 products such as Anne Klein?</p> <p>14 A. The businesses are run the same. The</p> <p>15 difference is in the financial recordings and the</p> <p>16 profit centers.</p> <p>17 Q. Can you explain those differences</p> <p>18 further, please?</p> <p>19 A. A license -- we have licensing agreements</p> <p>20 of where there are fees paid to the parent company</p> <p>21 that owns the brand. Those are included in the</p> <p>22 licensed brand.</p>	<p style="text-align: right;">Page 21</p> <p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 Q. Does Steve Madden sell its handbags in</p> <p>8 different sales channels in the United States?</p> <p>9 A. Yes.</p> <p>10 Q. What are those sales channels?</p> <p>11 A. Department stores, specialty stores, some</p> <p>12 chains, off-price retailers, as well as our own</p> <p>13 stores.</p> <p>14 Q. So Steve Madden has its own stores in the</p> <p>15 United States?</p> <p>16 A. Yes.</p> <p>17 Q. Are those for the Steve Madden brand?</p> <p>18 A. Yes.</p> <p>19 Q. Did you say that Steve Madden sells</p> <p>20 handbags through other stores as well?</p> <p>21 A. Yes.</p> <p>22 Q. Are those wholesale stores?</p>

<p style="text-align: right;">Page 22</p> <p>1 A. Yes. Wholesale accounts.</p> <p>2 VIDEO TECHNICIAN: Apologies, Counsel.</p> <p>3 I'm getting some interference. It sounds like</p> <p>4 it's coming from a cell phone. Hard to say where</p> <p>5 it's coming from.</p> <p>6 MR. COLWELL: If we can go off the record</p> <p>7 for a moment.</p> <p>8 VIDEO TECHNICIAN: Going off the record.</p> <p>9 The time is 9:58 a.m.</p> <p>10 (Discussion off the record.)</p> <p>11 VIDEO TECHNICIAN: Going back on the</p> <p>12 record. The time is 10:00 a.m.</p> <p>13 THE WITNESS: May I amend an answer to</p> <p>14 your previously asked question in regard to the</p> <p>15 parent company of the Anne Klein brand?</p> <p>16 BY MR. COLWELL:</p> <p>17 Q. Yes, Ms. Tichner.</p> <p>18 A. That's -- WHP-Global is the parent</p> <p>19 company.</p> <p>20 Q. So Steve Madden has a license agreement</p> <p>21 for the Anne Klein brand with that company?</p> <p>22 A. Correct.</p>	<p style="text-align: right;">Page 24</p> <p>1 the question, please?</p> <p>2 Q. Sure. Do Steve Madden handbags have</p> <p>3 resale value?</p> <p>4 A. I don't know. There are certain handbags</p> <p>5 that may be sold on resale to -- in second-party</p> <p>6 sources, or handbags that have been gently used</p> <p>7 can sometimes be found on secondary sites. But</p> <p>8 that's the extent of my knowledge.</p> <p>9 Q. Does Steve Madden, itself, sell resale</p> <p>10 handbags?</p> <p>11 A. We do not.</p> <p>12 Q. Why not?</p> <p>13 MR. BUTERMAN: Objection. Form.</p> <p>14 THE WITNESS: We sell new product through</p> <p>15 our own retail distribution sites and new product</p> <p>16 to our wholesale partners.</p> <p>17 BY MR. COLWELL:</p> <p>18 Q. You mentioned that you have</p> <p>19 responsibilities related to pricing for Steve</p> <p>20 Madden's handbags; is that right?</p> <p>21 A. Correct.</p> <p>22 Q. What is the price range for Steve Madden</p>
<p style="text-align: right;">Page 23</p> <p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 Q. Thank you, Ms. Tichner.</p> <p>17 And retail includes what?</p> <p>18 A. Steve Madden retail stores, as well as</p> <p>19 our dot-com direct-to-consumer business.</p> <p>20 Q. Is there a resale market for Steve Madden</p> <p>21 handbags?</p> <p>22 A. Can you rephrase that question or clarify</p>	<p style="text-align: right;">Page 25</p> <p>1 handbags sold in the United States?</p> <p>2 MR. BUTERMAN: Object to form.</p> <p>3 THE WITNESS: The bulk of the handbags</p> <p>4 suggested retails are a hundred -- about a hundred</p> <p>5 dollars and under.</p> <p>6 BY MR. COLWELL:</p> <p>7 Q. When you say bulk, what do you mean by</p> <p>8 that?</p> <p>9 A. There are styles that might be outliers</p> <p>10 that would have a suggested retail that is higher</p> <p>11 than a hundred dollars.</p> <p>12 Q. How do you determine the prices for Steve</p> <p>13 Madden's handbags?</p> <p>14 MR. BUTERMAN: Object to form.</p> <p>15 THE WITNESS: Well, the consumer sets a</p> <p>16 lot of this groundwork for us, depending on the --</p> <p>17 you know in our tier of distribution. I just work</p> <p>18 within the frame of the divisions to place the</p> <p>19 bags, make sure that we're priced competitively.</p> <p>20 BY MR. COLWELL:</p> <p>21 Q. And what do you mean by priced</p> <p>22 competitively?</p>

<p style="text-align: right;">Page 26</p> <p>1 A. If you would -- if we talk about the</p> <p>2 other brands that sit in our area of distribution,</p> <p>3 we would be priced equivalent or have like or same</p> <p>4 suggested retails for similar brands.</p> <p>5 Q. What is that distribution tier that you</p> <p>6 just mentioned?</p> <p>7 A. Can you rephrase the question?</p> <p>8 Q. Sure. If I heard you correctly,</p> <p>9 Ms. Tichner, you described a tier of distribution</p> <p>10 for Steve Madden handbags.</p> <p>11 I'd like to understand what that is.</p> <p>12 MR. BUTERMAN: Objection.</p> <p>13 THE WITNESS: The segment of business has</p> <p>14 several names. It can be referred to as opening</p> <p>15 price point, moderate, trend, fashion.</p> <p>16 BY MR. COLWELL:</p> <p>17 Q. And Steve Madden's handbags are within</p> <p>18 that opening price point tier that you just</p> <p>19 described?</p> <p>20 MR. BUTERMAN: Objection.</p> <p>21 THE WITNESS: They're in that segment.</p> <p>22</p>	<p style="text-align: right;">Page 28</p> <p>1 handbags are about a hundred -- as I said, a</p> <p>2 hundred dollars and under. There's ranges above</p> <p>3 and ranges below as well.</p> <p>4 Q. What are the ranges above?</p> <p>5 A. Over 150 and up to -- to \$1500 and up.</p> <p>6 Q. What is the \$1500 and up segment?</p> <p>7 A. Luxury designer.</p> <p>8 MR. GRUNDTVIG: Objection to form.</p> <p>9 BY MR. COLWELL:</p> <p>10 Q. What brands are in the luxury designer</p> <p>11 segment?</p> <p>12 A. Gucci, LV, Prada.</p> <p>13 Q. You mentioned another segment, and I</p> <p>14 believe you said over \$150; is that right?</p> <p>15 A. I was just referring to price points that</p> <p>16 would cover bags that were above sort of the</p> <p>17 highest price point at Steve Madden.</p> <p>18 Q. Thank you, Ms. Tichner.</p> <p>19 Are you familiar with any segments</p> <p>20 between opening price point and designer luxury?</p> <p>21 A. Yes. There are many: designer, emerging</p> <p>22 designer, contemporary, advanced contemporary.</p>
<p style="text-align: right;">Page 27</p> <p>1 BY MR. COLWELL:</p> <p>2 Q. Are you familiar with any other tiers for</p> <p>3 handbags sold in the United States?</p> <p>4 MR. BUTERMAN: Objection.</p> <p>5 MR. GRUNDTVIG: Objection to form.</p> <p>6 MR. BUTERMAN: Counsel, please stop</p> <p>7 trying to put the word "tiers" into the witness'</p> <p>8 mouth. She hasn't used it once yet.</p> <p>9 MR. COLWELL: Counsel, I believe the</p> <p>10 witness has used the word "tier."</p> <p>11 BY MR. COLWELL:</p> <p>12 Q. Did I mishear you, Ms. Tichner?</p> <p>13 A. I don't remember if I used the</p> <p>14 word "tier" or "segment." I -- I don't remember.</p> <p>15 Q. Thank you, Ms. Tichner.</p> <p>16 Based on your knowledge and experience in</p> <p>17 the industry, Ms. Tichner, are you familiar with</p> <p>18 any other segments aside from the one you just</p> <p>19 described?</p> <p>20 A. Yes.</p> <p>21 Q. What are those other segments?</p> <p>22 A. There are a lot. There are -- my</p>	<p style="text-align: right;">Page 29</p> <p>1 Q. Are you familiar with the brand Coach?</p> <p>2 A. Yes.</p> <p>3 Q. In -- in what segment do you consider</p> <p>4 Coach handbags to be?</p> <p>5 MR. BUTERMAN: Objection.</p> <p>6 THE WITNESS: Designer.</p> <p>7 BY MR. COLWELL:</p> <p>8 Q. Are you familiar with Kate Spade, the</p> <p>9 brand?</p> <p>10 A. Yes.</p> <p>11 Q. What segment --</p> <p>12 A. Designer.</p> <p>13 Q. -- are Kate Spade handbags in?</p> <p>14 A. Designer.</p> <p>15 Q. And what segment is Michael Kors?</p> <p>16 MR. BUTERMAN: Objection.</p> <p>17 THE WITNESS: Designer.</p> <p>18 BY MR. COLWELL:</p> <p>19 Q. Are you familiar with any subcategories</p> <p>20 or segments to the designer category or segment</p> <p>21 that you described?</p> <p>22 MR. BUTERMAN: Object to form.</p>

<p style="text-align: right;">Page 30</p> <p>1 THE WITNESS: It could be emerging</p> <p>2 designer, select designer, designer boutique.</p> <p>3 Each retailer classifies brands distinctively to</p> <p>4 that retailer.</p> <p>5 BY MR. COLWELL:</p> <p>6 Q. Based on your knowledge and experience in</p> <p>7 the handbag industry, are you familiar with the</p> <p>8 phrase "accessible luxury"?</p> <p>9 MR. BUTERMAN: Objection.</p> <p>10 THE WITNESS: Yes.</p> <p>11 BY MR. COLWELL:</p> <p>12 Q. What do you understand that phrase to</p> <p>13 mean?</p> <p>14 A. Those would represent brands that the</p> <p>15 customer would view as designer that are at</p> <p>16 affordable -- what they view -- what are</p> <p>17 affordable price points for that segment of</p> <p>18 customer.</p> <p>19 Q. What handbag brands are in that segment?</p> <p>20 A. There's a lot.</p> <p>21 MR. BUTERMAN: Objection.</p> <p>22 THE WITNESS: Michael Kors, Kate Spade,</p>	<p style="text-align: right;">Page 32</p> <p>1 A. I would classify Louis Vuitton as a true</p> <p>2 luxury designer.</p> <p>3 Q. And what makes a true luxury designer</p> <p>4 different from the other segment?</p> <p>5 MR. GRUNDVIG: Objection. Form.</p> <p>6 THE WITNESS: Price points -- opening</p> <p>7 price points starting in true luxury are higher.</p> <p>8 BY MR. COLWELL:</p> <p>9 Q. How much higher?</p> <p>10 MR. BUTERMAN: Objection.</p> <p>11 THE WITNESS: I can only give you the</p> <p>12 range of where I believe the bulk of true luxury</p> <p>13 handbags begins at, and I believe it is at about</p> <p>14 \$1500 and up.</p> <p>15 BY MR. COLWELL:</p> <p>16 Q. Are there any other brands that you would</p> <p>17 categorize as true luxury designers?</p> <p>18 A. I can repeat. I don't know if I said</p> <p>19 them when you asked me before, but Louis Vuitton,</p> <p>20 Gucci, Prada, Celine.</p> <p>■ [REDACTED]</p> <p>■ [REDACTED]</p>
<p style="text-align: right;">Page 31</p> <p>1 Coach, Marc Jacobs, Tory Burch. There are other</p> <p>2 ones as well.</p> <p>3 BY MR. COLWELL:</p> <p>4 Q. What are the differences between that</p> <p>5 segment and the opening price point segment that</p> <p>6 you described?</p> <p>7 A. Two primary differences. One would be</p> <p>8 opening price point segment, most of the handbags</p> <p>9 are constructed of non-leather material; and two,</p> <p>10 price point.</p> <p>11 Q. So do one of those segments use certain</p> <p>12 kinds of materials?</p> <p>13 A. The handbags in the opening price point</p> <p>14 segment are non- -- for all practical purposes,</p> <p>15 non-leather materials.</p> <p>16 Q. Based on your knowledge and experience,</p> <p>17 is Louis Vuitton in that accessible luxury</p> <p>18 segment?</p> <p>19 MR. BUTERMAN: Objection.</p> <p>20 THE WITNESS: No.</p> <p>21 BY MR. COLWELL:</p> <p>22 Q. Why not?</p>	<p style="text-align: right;">Page 33</p> <p>■ [REDACTED]</p> <p>■ [REDACTED]</p> <p>■ [REDACTED]</p> <p>4 Q. What are stores' private brands?</p> <p>5 A. Individual retailers have brands that are</p> <p>6 their own, intrinsic to that specific retailer.</p> <p>7 Q. Does Steve Madden produce any private</p> <p>8 label products?</p> <p>9 A. Yes.</p> <p>10 Q. Does Steve Madden produce private label</p> <p>11 handbags?</p> <p>12 A. Yes.</p> <p>13 Q. Are Steve Madden's private label handbags</p> <p>14 different from other handbags that it sells?</p> <p>15 A. I don't manage that segment of our</p> <p>16 business, so I could not answer the question</p> <p>17 completely accurately for you.</p> <p>18 Q. That's fine. Thank you, Ms. Tichner.</p> <p>19 Do you have responsibilities,</p> <p>20 Ms. Tichner, related to sourcing materials for</p> <p>21 Steve Madden's handbags?</p> <p>22 A. The sourcing and the production are</p>

<p style="text-align: right;">Page 34</p> <p>1 handled by my counterpart.</p> <p>2 Q. Who is your counterpart?</p> <p>3 A. Jeff Goldstein.</p> <p>4 Q. Are you familiar with where Steve Madden</p> <p>5 produces handbags?</p> <p>6 A. Yes.</p> <p>7 Q. Where is that?</p> <p>8 A. About 95 percent is produced in Asia.</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 Q. Does Steve Madden manufacture handbags</p> <p>14 itself in those locations?</p> <p>15 A. Can you please repeat the question --</p> <p>16 rephrase the question?</p> <p>17 Q. Sure.</p> <p>18 Does Steve Madden actually manufacture</p> <p>19 the handbags it sells itself?</p> <p>20 A. We are not -- we work with valued</p> <p>21 partners as factories. We do not own the</p> <p>22 factories.</p>	<p style="text-align: right;">Page 36</p> <p>1 the record. The time is 10:24 a.m.</p> <p>2 (A recess was taken.)</p> <p>3 VIDEO TECHNICIAN: Going back on the</p> <p>4 record. The time is 10:36 a.m.</p> <p>5 BY MR. COLWELL:</p> <p>6 Q. Ms. Tichner, you mentioned that Steve</p> <p>7 Madden has its handbags manufactured predominantly</p> <p>8 in Asia.</p> <p>9 A. Correct.</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 Q. Thank you, Ms. Tichner.</p> <p>15 Similarly, for sourcing you mentioned</p> <p>16 that Steve Madden sources materials from Asia for</p> <p>17 handbags.</p> <p>18 What countries specifically, if you know?</p> <p>19 A. China.</p> <p>20 Q. What materials, specifically, does Steve</p> <p>21 Madden source from China for its handbags?</p> <p>22 A. The base material for bulk of the</p>
<p style="text-align: right;">Page 35</p> <p>1 Q. What is a factor?</p> <p>2 A. Factory.</p> <p>3 Q. Pardon me.</p> <p>4 So external vendors manufacture the</p> <p>5 products?</p> <p>6 A. Yes.</p> <p>7 Q. And those vendors are located in the --</p> <p>8 A. They're lo- --</p> <p>9 Q. -- places you mentioned?</p> <p>10 A. Correct.</p> <p>11 Q. Are you familiar with where Steve Madden</p> <p>12 sources materials for its handbags?</p> <p>13 A. Yes.</p> <p>14 Q. Where is that?</p> <p>15 A. Sourcing is primarily in Asia as well.</p> <p>16 MR. COLWELL: Now would be a good time to</p> <p>17 take a break. Would you like to take a break,</p> <p>18 Ms. Tichner?</p> <p>19 THE WITNESS: Yes. Thank you.</p> <p>20 MR. COLWELL: Okay. We can go off the</p> <p>21 record.</p> <p>22 VIDEO TECHNICIAN: Thank you. Going off</p>	<p style="text-align: right;">Page 37</p> <p>1 handbags is PU, non-leather-like material.</p> <p>2 Q. Is PU polyurethane?</p> <p>3 A. Yes.</p> <p>4 Q. Why does Steve Madden use PU for its</p> <p>5 handbags?</p> <p>6 A. PU materials have a very leather-like</p> <p>7 look to them.</p> <p>8 Q. How does the cost of PU materials compare</p> <p>9 to the cost of leather?</p> <p>10 MR. GRUNDVIG: Objection. Form.</p> <p>11 THE WITNESS: PU costs less than leather.</p> <p>12 BY MR. COLWELL:</p> <p>13 Q. Does Steve Madden consider the cost of</p> <p>14 the material in selecting it?</p> <p>15 MR. BUTERMAN: Object to form.</p> <p>16 THE WITNESS: Yes.</p> <p>17 BY MR. COLWELL:</p> <p>18 Q. I'd like to move to talk about the design</p> <p>19 of Steve Madden handbags, Ms. Tichner.</p> <p>20 Do you have responsibilities related to</p> <p>21 the design of Steve Madden handbags?</p> <p>22 A. Yes.</p>

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<p>1 Q. What are those responsibilities?</p> <p>2 A. I manage the team of designers that work</p> <p>3 on the product.</p> <p>4 Q. How does Steve Madden design its</p> <p>5 handbags?</p> <p>6 MR. GRUNDVIG: Objection. Form.</p> <p>7 THE WITNESS: May -- can you please</p> <p>8 clarify the question as related to Steve Madden or</p> <p>9 Steve Madden handbags as a general...</p> <p>10 BY MR. COLWELL:</p> <p>11 Q. Does the design process differ by Steve</p> <p>12 Madden handbag brand?</p> <p>13 A. Yes.</p> <p>14 Q. How does it differ?</p> <p>15 A. Each brand has separate design process</p> <p>16 unique to its DNA.</p> <p>17 Q. What do you mean by unique to its DNA?</p> <p>18 A. May I give an example to clarify this?</p> <p>19 Q. Please do.</p> <p>20 A. Steve Madden brand is very trend-driven.</p> <p>21 So the fastest fashion looks would be something</p> <p>22 that would be the DNA of Steve Madden.</p>	<p>1 Q. What are trending designs?</p> <p>2 A. Trends that are emerging in the</p> <p>3 marketplace globally, not -- not always specific</p> <p>4 to handbags.</p> <p>5 Q. How does Steve Madden become aware of</p> <p>6 those trends?</p> <p>7 A. It's the lifeblood of the company. We're</p> <p>8 highly focused on trend and fashion, and that</p> <p>9 comes from a corporate perspective.</p> <p>10 Q. Aside from trends, what else do the</p> <p>11 brands consider when designing handbags?</p> <p>12 A. Silhouette, colors, different things</p> <p>13 happening in the marketplace. Even social</p> <p>14 conditions happening in the marketplace.</p> <p>15 Q. Do Steve Madden's handbag brands design</p> <p>16 handbags for any specific types of customers?</p> <p>17 MR. BUTERMAN: Object to form.</p> <p>18 THE WITNESS: We like to design handbags</p> <p>19 to cover a broad base of customer.</p> <p>20 BY MR. COLWELL:</p> <p>21 Q. Does that differ in any way by Steve</p> <p>22 Madden handbag brand?</p>
Page 39	Page 41
<p>1 You have a brand like Betsey Johnson,</p> <p>2 which is very fun and whimsical and might have a</p> <p>3 different DNA.</p> <p>4 Q. How would you describe the DNA for the</p> <p>5 Betsey Johnson brand?</p> <p>6 A. Whimsical, fun. There's also an edgy</p> <p>7 side of it, but very specific to Betsey Johnson.</p> <p>8 Q. How would you describe the brand DNA for</p> <p>9 the licensed brand Anne Klein?</p> <p>10 A. I would describe that as more</p> <p>11 traditional. More buttoned-up.</p> <p>12 Q. I'd like to talk about how each of Steve</p> <p>13 Madden's handbag brands design handbags, the</p> <p>14 process.</p> <p>15 Starting with the Steve Madden brand, how</p> <p>16 does that brand design handbags?</p> <p>17 A. The process for designing handbags for</p> <p>18 Steve Madden and the other brands, it's -- the</p> <p>19 design process is very similar, but we use</p> <p>20 separate and distinct design teams for each one.</p> <p>21 Steve Madden would be heavily focused</p> <p>22 into trending designs.</p>	<p>1 A. Other brands may be a bit more specific</p> <p>2 to the brand, such as Betsey Johnson, which is</p> <p>3 heavily print-driven and specific in that sense.</p> <p>4 Q. Is that brand specific in any other</p> <p>5 senses?</p> <p>6 A. Not -- no.</p> <p>7 Q. What about the other handbag brands?</p> <p>8 A. Each one of them has specificity in its</p> <p>9 DNA but also markets within their DNA to a broad</p> <p>10 base of customers.</p> <p>11 Q. Can you explain the differences between</p> <p>12 Steve Madden's handbag brands as it relates to</p> <p>13 that specificity that you just described?</p> <p>14 MR. BUTERMAN: Objection. Form.</p> <p>15 MR. GRUNDVIG: Objection.</p> <p>16 THE WITNESS: Can you clarify if you mean</p> <p>17 between each of the brands? Is that what you're</p> <p>18 asking? Do you want me --</p> <p>19 BY MR. COLWELL:</p> <p>20 Q. Yes.</p> <p>21 A. Steve Madden -- all of the brands, when I</p> <p>22 see the product and we see the product in end use,</p>

<p style="text-align: right;">Page 42</p> <p>1 meaning we see actual consumers with it, we can</p> <p>2 see a broad-based customer. Maybe that would help</p> <p>3 explain it.</p> <p>4 Q. Does that customer differ by brand?</p> <p>5 A. There are always similarities and always</p> <p>6 differences from brand to brand. And brand to</p> <p>7 brand from store to store.</p> <p>8 Q. Focusing on Steve Madden's handbag</p> <p>9 brands, can you describe the differences for each</p> <p>10 of the handbag brands?</p> <p>11 MR. BUTERMAN: Objection.</p> <p>12 MR. GRUNDTVIG: Objection. Form.</p> <p>13 THE WITNESS: We would use something like</p> <p>14 age as a difference between our handbag customer.</p> <p>15 The end use of the same product in two different</p> <p>16 settings would be a range of customers.</p> <p>17 That's two good examples.</p> <p>18 MR. COLWELL: I'd like to show you a</p> <p>19 document, Ms. Tichner. I'm introducing it via</p> <p>20 Exhibit Share.</p> <p>21 Are you logged into Exhibit Share?</p> <p>22 THE WITNESS: I'm not sure.</p>	<p style="text-align: right;">Page 44</p> <p>1 BY MR. COLWELL:</p> <p>2 Q. Can you see the document, Ms. Tichner?</p> <p>3 A. Yes.</p> <p>4 Q. This is a native file, Excel file, that</p> <p>5 we've marked as PX3025.</p> <p>6 Do you recognize this document,</p> <p>7 Ms. Tichner?</p> <p>8 A. Yes.</p> <p>9 Q. And is this document, PX3025, an Excel</p> <p>10 spreadsheet from Steve Madden containing certain</p> <p>11 sales data?</p> <p>12 A. Can you repeat the number again, please,</p> <p>13 of -- the document number?</p> <p>14 Q. Sure.</p> <p>15 I've marked it in preparation for this</p> <p>16 deposition as PX3025. Steve Madden produced it as</p> <p>17 MDDN-TAP000075.</p> <p>18 A. Yes.</p> <p>19 Q. Is this the document that you reviewed</p> <p>20 with your colleague, Mr. Gioia?</p> <p>21 A. Yes.</p> <p>22 Q. If you click on the tab marked</p>
<p style="text-align: right;">Page 43</p> <p>1 MR. GRUNDTVIG: Why don't you show it, and</p> <p>2 we may need to pull it up on a laptop here.</p> <p>3 (Tichner Deposition Exhibit PX3025 marked</p> <p>4 for identification and attached to the</p> <p>5 transcript.)</p> <p>6 MR. COLWELL: The exhibit is marked</p> <p>7 PX3025. It was produced as MDDN-TAP000075. And</p> <p>8 it appears to be an Excel spreadsheet that</p> <p>9 contains certain data for wholesale and retail</p> <p>10 sales from Steve Madden from the period of</p> <p>11 January 2019 through April 2024.</p> <p>12 MR. GRUNDTVIG: Peter, we need to pull</p> <p>13 that up. We're not getting it through the</p> <p>14 connection we have.</p> <p>15 MR. COLWELL: It should be located in the</p> <p>16 marked exhibit folder in Exhibit Share.</p> <p>17 MR. GRUNDTVIG: We need to pull up Exhibit</p> <p>18 Share. Hold on one sec.</p> <p>19 MR. COLWELL: Okay.</p> <p>20 (Discussion off the record.)</p> <p>21 THE WITNESS: I think we're set.</p> <p>22</p>	<p style="text-align: right;">Page 45</p> <p>1 WL US Bags-2023.</p> <p>2 Do you see that?</p> <p>3 A. Can you just repeat the tab again,</p> <p>4 please?</p> <p>5 Q. WL US Bags-2023.</p> <p>6 A. Let me get there. I'm just going to make</p> <p>7 the screen larger.</p> <p>8 THE WITNESS: Maybe that's okay.</p> <p>9 (Discussion off the record.)</p> <p>10 THE WITNESS: Hold, please.</p> <p>11 VIDEO TECHNICIAN: Counsel, would you</p> <p>12 like to go off the record?</p> <p>13 MS. KEITH: Maybe for a minute, just so</p> <p>14 we can figure out whose screen she should look at</p> <p>15 to best see it.</p> <p>16 MR. COLWELL: Yes. Thank you. That</p> <p>17 would be helpful, just to make sure she has it.</p> <p>18 VIDEO TECHNICIAN: Going off the record.</p> <p>19 The time is 10:57 a.m.</p> <p>20 (Discussion off the record.)</p> <p>21 VIDEO TECHNICIAN: Going back on the</p> <p>22 record. The time is 10:59 a.m.</p>

<p style="text-align: right;">Page 46</p> <p>1 BY MR. COLWELL:</p> <p>2 Q. Ms. Tichner, are you able to see the</p> <p>3 spreadsheet that I've marked as PX3025?</p> <p>4 A. Yes.</p> <p>5 Q. Were you able to go to the tab</p> <p>6 WL US Bags-2023?</p> <p>7 A. Yes.</p> <p>8 Q. What do you understand the data in this</p> <p>9 tab to be for?</p> <p>10 A. These are U.S. wholesale sales for the</p> <p>11 year of 2023.</p> <p>12 Q. Does WL refer to wholesale in this</p> <p>13 spreadsheet?</p> <p>14 A. Yes.</p> <p>15 Q. One of the columns in this tab is titled,</p> <p>16 "Original Price."</p> <p>17 Do you see that?</p> <p>18 A. Yes.</p> <p>19 Q. What does original price refer to in this</p> <p>20 spreadsheet?</p> <p>21 A. The price that the item was sold to the</p> <p>22 customer at.</p>	<p style="text-align: right;">Page 48</p> <p>1 item, and then what it actually cost us would be a</p> <p>2 combination of all of those individual pieces.</p> <p>3 Q. Can you turn to the -- tab 4, retail --</p> <p>4 or RT, pardon me. The tab is labeled</p> <p>5 RT US Bags M3-2023.</p> <p>6 A. I can't find it here, but --</p> <p>7 MS. KEITH: Here.</p> <p>8 THE WITNESS: I have it.</p> <p>9 BY MR. COLWELL:</p> <p>10 Q. What do you understand this tab,</p> <p>11 RT US Bags M3-2023, to represent?</p> <p>12 A. It records the sale of our own retail</p> <p>13 stores, together with our direct-to-consumer,</p> <p>14 meaning our e-commerce site, for Steve Madden.</p> <p>15 And it also includes Dolce Vita and Betsey Johnson</p> <p>16 retail or -- and/or direct-to-consumer are</p> <p>17 captured in that division.</p> <p>18 Q. Does RT on this spreadsheet reference</p> <p>19 retail?</p> <p>20 A. Yes.</p> <p>21 Q. One of the columns on this spreadsheet is</p> <p>22 titled, "Cost of Sale."</p>
<p style="text-align: right;">Page 47</p> <p>1 Q. Does this sheet show any discounting to</p> <p>2 prices?</p> <p>3 A. The only way that I would know if the</p> <p>4 original price here shows a discount is if I had</p> <p>5 all -- the wholesale list that documents every</p> <p>6 single SKU that's listed.</p> <p>7 Q. What costs of sale are included on the</p> <p>8 wholesale sheets in this Excel file?</p> <p>9 A. Can you please rephrase the question?</p> <p>10 Q. Sure.</p> <p>11 There is a column titled, "Cost of Sale"</p> <p>12 for the tab we're on, WL US Bags-2023.</p> <p>13 Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. What is cost of sale?</p> <p>16 A. That refers to the price or the cost that</p> <p>17 the item technically is in our system at. Sort of</p> <p>18 our landed cost, if you will.</p> <p>19 Q. What is landed cost?</p> <p>20 A. That would refer to the first cost of the</p> <p>21 item, plus whatever transportation or duty or</p> <p>22 freight, whatever was added on to the price of th</p>	<p style="text-align: right;">Page 49</p> <p>1 Do you see that?</p> <p>2 A. Just a moment.</p> <p>3 MS. KEITH: It's a touchscreen, so you</p> <p>4 can...</p> <p>5 THE WITNESS: Okay. That would refer to</p> <p>6 the cost in the system for those divisions.</p> <p>7 Similar to the cost that's in the wholesale</p> <p>8 system.</p> <p>9 BY MR. COLWELL:</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 Q. I'd like to turn to the tab titled</p> <p>17 RT US Bags ORSI 2019-2024, 04 is in parentheses.</p> <p>18 Do you see that tab?</p> <p>19 A. Yes.</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p>

<p style="text-align: right;">Page 50</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>11 Q. Steve Madden uses those systems --</p> <p>12 A. Correct.</p> <p>13 Q. -- internally?</p> <p>14 A. Correct.</p> <p>15 Q. This tab includes a class category. It's</p> <p>16 a column, rather --</p> <p>17 A. Yes.</p> <p>18 Q. "Class" is the title of that column.</p> <p>19 Do you see it?</p> <p>20 A. Yes.</p> <p>21 Q. What does "class" mean here?</p> <p>22 A. It's a segment on which to define the</p>	<p style="text-align: right;">Page 52</p> <p>1 minibag, we might refer to backpack, small</p> <p>2 backpack, large, just for analytics.</p> <p>3 BY MR. COLWELL:</p> <p>4 Q. Going back to the tab WL US Bags-2023.</p> <p>5 Do you see that?</p> <p>6 A. Yes.</p> <p>7 Q. Is there a column that provides category</p> <p>8 information, similar to the class and subclass</p> <p>9 columns that we just reviewed in the retail tab?</p> <p>10 A. It would be located in either one of two</p> <p>11 columns, I believe product group or subgroup.</p> <p>12 Q. What does product group include? The</p> <p>13 column product group.</p> <p>14 A. Yup. Those are hierarchy codes we use to</p> <p>15 assign the specific attributes of the bags so that</p> <p>16 we can classify them.</p> <p>17 Q. And what is subgroup in the subgroup</p> <p>18 column?</p> <p>19 A. It would be by not only the category but</p> <p>20 also by color, I believe.</p> <p>21 Q. For the product at issue?</p> <p>22 A. Correct.</p>
<p style="text-align: right;">Page 51</p> <p>1 category of where the bag sits. So day -- I see</p> <p>2 day, a day bag, a larger size bag, evening. Might</p> <p>3 be something that was smaller that one would</p> <p>4 classify as an evening bag.</p> <p>5 Q. The next column is titled, "Subclass."</p> <p>6 Do you see that?</p> <p>7 A. Yes.</p> <p>8 Q. What does that represent?</p> <p>9 A. Again, I manage the wholesale, but it is</p> <p>10 basically a handbag silhouette, taking a category</p> <p>11 and then breaking it down by silhouette.</p> <p>12 For instance, you might have a day</p> <p>13 handbag that could be characterized as an hobo or</p> <p>14 a tote or a satchel or a mini. So it's a further</p> <p>15 characterization.</p> <p>16 Q. Does wholesale uses the same</p> <p>17 categorizations?</p> <p>18 A. Similar.</p> <p>19 Q. How are they different?</p> <p>20 A. We --</p> <p>21 MR. GRUNDVIG: Objection. Form.</p> <p>22 THE WITNESS: We might, instead of</p>	<p style="text-align: right;">Page 53</p> <p>1 Q. I'd like to go to the tab marked</p> <p>2 M3-production data.</p> <p>3 A. I have it.</p> <p>4 Q. What does this tab represent?</p> <p>5 A. These are the orders -- it's production</p> <p>6 data to quantify the orders that we place to the</p> <p>7 factory for the specific styles that we sell by</p> <p>8 division.</p> <p>9 Q. Can you explain that process further,</p> <p>10 placing orders?</p> <p>11 A. Sure. When we place an order for a</p> <p>12 product, we place something called a WIP, which is</p> <p>13 short for work in progress. And it's just sort of</p> <p>14 the purchase order for those particular items that</p> <p>15 we buy from the different factories. So we record</p> <p>16 the actual purchasing of them in separate</p> <p>17 divisions -- in separate lines, and we do,</p> <p>18 obviously, the sale for it.</p> <p>19 Q. Thank you for explaining that for me,</p> <p>20 Ms. Tichner.</p> <p>21 There is a column on the same tab,</p> <p>22 M3-production data, titled, "Supplier name."</p>

<p style="text-align: right;">Page 54</p> <p>1 Do you see that?</p> <p>2 A. Just a moment. Yes. Those would be the</p> <p>3 names of the suppliers to where we place the</p> <p>4 orders.</p> <p>5 Q. What do these suppliers do for Steve</p> <p>6 Madden?</p> <p>7 A. To clarify, supplier would be</p> <p>8 interchangeable word with factory. So they're the</p> <p>9 actual factory -- we call them suppliers -- that</p> <p>10 manufacture the bags.</p> <p>11 Q. There is another column titled, "Country</p> <p>12 of origin."</p> <p>13 Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. What does that column contain?</p> <p>16 A. That is the country of where each item is</p> <p>17 made specifically.</p> <p>18 Q. The next column is titled, "Period," and</p> <p>19 then, in parentheses, YYYYMM.</p> <p>20 Do you see that column?</p> <p>21 A. I do.</p> <p>22 Q. What information is in this column?</p>	<p style="text-align: right;">Page 56</p> <p>1 Q. I'd like to move to the next and final</p> <p>2 tab, which is titled ORSI production data.</p> <p>3 Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. What information is conveyed in this tab?</p> <p>6 A. Those would be the orders that the Steve</p> <p>7 Madden retail stores places directly for bags that</p> <p>8 will be distributed at retail stores and</p> <p>9 direct-to-consumer.</p> <p>10 It also included Betsey Johnson and</p> <p>11 Dolce Vita before those moved, again, into the M3</p> <p>12 above it.</p> <p>13 It refers to the orders for the retail</p> <p>14 stores that are placed at the factory.</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 MR. BUTERMAN: Object to form.</p> <p>20 THE WITNESS: Oh. Can you please ask the</p> <p>21 question again?</p> <p>22</p>
<p style="text-align: right;">Page 55</p> <p>1 A. That is the year and the month of the</p> <p>2 order from the supplier to our company.</p> <p>3 Q. What happens after you place that order?</p> <p>4 A. Magic. No. The factory gets the order.</p> <p>5 Then, based on the calendar, the dates for each</p> <p>6 item are different, meaning each order is placed</p> <p>7 to correspond to the shipping period of which we</p> <p>8 ship the handbags to our customers.</p> <p>9 So they're on a calendar. They produce</p> <p>10 and manufacture the bags. And then those bags</p> <p>11 then are shipped to us so that we can meet the</p> <p>12 deadlines and the deliveries that are written for</p> <p>13 each order by brand.</p> <p>14 Q. There's a column titled, "Landed Cost."</p> <p>15 Do you see that column?</p> <p>16 A. I do.</p> <p>17 Q. What is in that column?</p> <p>18 A. I just want to make sure I'm seeing it</p> <p>19 correctly.</p> <p>20 So that is an extension of, I believe,</p> <p>21 multiplying a certain amount of units that's in</p> <p>22 the column before by the landed cost per bag.</p>	<p style="text-align: right;">Page 57</p> <p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 Q. Thank you, Ms. Tichner. You can put --</p> <p>15 A. That away?</p> <p>16 Q. -- PX3025 away.</p> <p>17 MR. COLWELL: I'd like to take a short</p> <p>18 break, if we can go off the record.</p> <p>19 VIDEO TECHNICIAN: Going off the record.</p> <p>20 The time is 11:22 a.m.</p> <p>21 (A recess was taken.)</p> <p>22 VIDEO TECHNICIAN: Going back on the</p>

<p style="text-align: right;">Page 58</p> <p>1 record. The time is 11:32 a.m.</p> <p>2 MR. COLWELL: Ms. Tichner, thanks very</p> <p>3 much again for your time today. Those are all of</p> <p>4 the questions for you that I have at the moment,</p> <p>5 but I'll reserve the remainder of my time to use</p> <p>6 if necessary.</p> <p>7 THE WITNESS: You're welcome. Nice</p> <p>8 meeting you.</p> <p>9 MR. COLWELL: Likewise.</p> <p>10 EXAMINATION BY COUNSEL FOR TAPESTRY, INC.</p> <p>11 BY MR. BUTERMAN:</p> <p>12 Q. Good morning, Ms. Tichner. As I</p> <p>13 mentioned earlier, my name is Larry Buterman, and</p> <p>14 I'm an attorney representing Tapestry, Inc., in</p> <p>15 connection with these cases.</p> <p>16 Ms. Tichner, is Steve Madden a public</p> <p>17 company?</p> <p>18 A. Yes.</p> <p>19 Q. As a public company, does Steve Madden</p> <p>20 make regular filings to the Securities and</p> <p>21 Exchange Commission?</p> <p>22 MR. GRUNDVIG: Objection. Form.</p>	<p style="text-align: right;">Page 60</p> <p>1 And this will be DX -- is it 707, Kimon?</p> <p>2 MR. TRIANTAFYLLOU: That's right.</p> <p>3 THE WITNESS: Does it have a header on</p> <p>4 the top?</p> <p>5 MR. BUTERMAN: This is -- you'll see it</p> <p>6 in the Exhibit Share in a moment.</p> <p>7 At the top it will say United States</p> <p>8 Securities and Exchange Commission Form 10-K,</p> <p>9 Steve Madden, Ltd.</p> <p>10 (Tichner Deposition Exhibit DX707 marked</p> <p>11 for identification and attached to the</p> <p>12 transcript.)</p> <p>13 BY MR. BUTERMAN:</p> <p>14 Q. You may -- it should be in the Exhibit</p> <p>15 Share now. You just would need to refresh.</p> <p>16 A. I see it.</p> <p>17 Q. Great. And you see that it says, United</p> <p>18 States Securities and Exchange Commission, D.C.</p> <p>19 20549, Form 10-K. And then, underneath there,</p> <p>20 there's a box that's checked that says, Annual</p> <p>21 report pursuant to Section 13 or 15(d) of the</p> <p>22 Securities Exchange Act of 1934 for the fiscal</p>
<p style="text-align: right;">Page 59</p> <p>1 MR. COLWELL: Objection. Leading.</p> <p>2 THE WITNESS: I believe -- I can't answer</p> <p>3 that. Maybe with earnings reports and things like</p> <p>4 that. I'm not familiar with that part.</p> <p>5 BY MR. BUTERMAN:</p> <p>6 Q. Have you ever heard of something called a</p> <p>7 Form 10-K?</p> <p>8 A. I don't believe so.</p> <p>9 Q. Okay. Do you know if, when Steve Madden</p> <p>10 makes filings to the Securities and Exchange</p> <p>11 Commission, it attempts to be truthful and</p> <p>12 accurate?</p> <p>13 MR. COLWELL: Objection.</p> <p>14 MR. GRUNDVIG: Objection.</p> <p>15 MR. COLWELL: Foundation and form.</p> <p>16 THE WITNESS: If we made a filing, I know</p> <p>17 it would be truthful and accurate.</p> <p>18 BY MR. BUTERMAN:</p> <p>19 Q. Okay. I'd like to show you a document.</p> <p>20 MR. BUTERMAN: This is in the tab</p> <p>21 binder -- it's Exhibit 34. That's for my team to</p> <p>22 get it into the Exhibit Share.</p>	<p style="text-align: right;">Page 61</p> <p>1 year ended December 31st, 2023?</p> <p>2 A. I do not see that yet.</p> <p>3 Q. Okay.</p> <p>4 A. If you'd like to read back that sentence</p> <p>5 quickly, I believe I found what you asked me.</p> <p>6 Q. Sure. On the top of the first page of</p> <p>7 the document, do you see that it says, United</p> <p>8 States Securities and Exchange Commission,</p> <p>9 Washington, D.C. 20549, and then there's a box</p> <p>10 that's marked and next to it it says, Annual</p> <p>11 report pursuant to Section 13 or 15(d) of the</p> <p>12 Securities Exchange Act of 1934 for the fiscal</p> <p>13 year ended December 31st, 2023?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. And I'll represent to you that</p> <p>16 this is Steve Madden's most recent annual report</p> <p>17 that it filed with the SEC.</p> <p>18 Can you turn to page 5 of the document?</p> <p>19 It's the page that starts at the top with the</p> <p>20 bolded heading "Item 1. Business."</p> <p>21 MS. KEITH: It's page 5 of the document,</p> <p>22 page 3 of the numbered pages --</p>

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<p>1 MR. BUTERMAN: Yes, that's correct.</p> <p>2 Sorry. I was going by the PDF pages.</p> <p>3 MS. KEITH: I think she was confused.</p> <p>4 MR. BUTERMAN: Thank you.</p> <p>5 THE WITNESS: Okay. I found the page</p> <p>6 that you're looking for.</p> <p>7 BY MR. BUTERMAN:</p> <p>8 Q. Okay. And can you just read the first</p> <p>9 two sentences into the record?</p> <p>10 A. Would you like me to read the header on</p> <p>11 the page --</p> <p>12 Q. Sure. That's fine.</p> <p>13 A. Safe harbor statement --</p> <p>14 Q. Oh, no, no, no, I'm sorry -- not the</p> <p>15 header on the page. I'd just like you to read the</p> <p>16 part under item 1, business.</p> <p>17 MS. KEITH: There.</p> <p>18 THE WITNESS: I apologize, my pages are</p> <p>19 not lining up with yours.</p> <p>20 MS. KEITH: It's page 5 -- page 3 of the</p> <p>21 report, so up -- yeah. Why is it not -- that's 5.</p> <p>22 It's page 3. There you go. Item 1, business.</p>	<p>1 various countries in Asia."</p> <p>2 Q. Is that a truthful and accurate</p> <p>3 statement?</p> <p>4 A. Yes. That is a true and accurate</p> <p>5 statement.</p> <p>6 Q. Okay. Could you look down a little bit</p> <p>7 further on the page where it says -- you see it</p> <p>8 says, "Our segments"?</p> <p>9 A. Yes.</p> <p>10 Q. And then underneath there's a section</p> <p>11 entitled, "Wholesale accessories/apparel."</p> <p>12 Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. Could you read that paragraph, please?</p> <p>15 A. "Wholesale accessories/apparel. Our</p> <p>16 wholesale accessories/apparel segments designs,</p> <p>17 sources, and markets our brands and sells our</p> <p>18 products to department stores, mass merchants,</p> <p>19 off-price retailers, online retailers, specialty</p> <p>20 retailers, independent stores, and clubs</p> <p>21 throughout the United States, Canada, Mexico, and</p> <p>22 Europe, and through our joint ventures and</p>
Page 63	Page 65
<p>1 Do you need him to zoom? Can you see?</p> <p>2 THE WITNESS: I can read.</p> <p>3 MS. KEITH: Okay.</p> <p>4 THE WITNESS: Item 1 business. Shall I</p> <p>5 begin there?</p> <p>6 BY MR. BUTERMAN:</p> <p>7 Q. Yeah, just the first two sentences.</p> <p>8 A. "Steve Madden, Limited, and its</p> <p>9 subsidiary [sic] design, source, and market</p> <p>10 fashion-forward branded private label footwear,</p> <p>11 accessories and apparel. We distribute our</p> <p>12 products in the wholesale channel through</p> <p>13 department stores, mass merchants, off-price</p> <p>14 retailers, shoe chains, online retailers, national</p> <p>15 chains, specialty retailers, independent stores,</p> <p>16 and clubs throughout the United States, Canada,</p> <p>17 Mexico, and Europe and other international markets</p> <p>18 through our joint ventures in Israel, South</p> <p>19 Africa, China, Taiwan, Malaysia, and the Middle</p> <p>20 East, along with special distribution arrangements</p> <p>21 in certain European countries, North Africa, South</p> <p>22 Africa [sic], Central America, Australia, and</p>	<p>1 international distributor network. Our wholesale</p> <p>2 accessories/apparel business primarily consists of</p> <p>3 handbags, apparel, small leather goods, belts,</p> <p>4 soft accessories, fashion scarves, wraps, gifting,</p> <p>5 and other trend accessories. The wholesale</p> <p>6 accessories/apparel segment primarily consists of</p> <p>7 the following brands: Steve Madden, Anne Klein,</p> <p>8 Betsey Johnson, Dolce Vita. This segment also</p> <p>9 includes our private label handbag and accessories</p> <p>10 business. This segment represents 21 percent of</p> <p>11 total revenue, 2023."</p> <p>12 Q. And to the best of your knowledge, are</p> <p>13 those statements correct and accurate?</p> <p>14 A. Yes.</p> <p>15 Q. If you look down in the</p> <p>16 direct-to-consumer section below, do you see</p> <p>17 there's a paragraph that begins, "In 2023" --</p> <p>18 A. Yes, I do.</p> <p>19 Q. It's the second -- okay.</p> <p>20 Can you read the second sentence, the one</p> <p>21 that begins, "As of December 31st"?</p> <p>22 A. "As of December 31st, 2023, we operated</p>

<p style="text-align: right;">Page 66</p> <p>1 255 brick-and-mortar retail stores, including 181</p> <p>2 Steve Madden full-price stores, 71 Steve Madden</p> <p>3 outlet stores, and three Dolce Vita full-price</p> <p>4 store." Typo.</p> <p>5 Did you want me to continue --</p> <p>6 Q. Is that sentence truthful and accurate?</p> <p>7 A. Yes. That's truthful and accurate.</p> <p>8 Q. Can you scroll down to the next page?</p> <p>9 And that's page 4 of the document, page 6 of the</p> <p>10 PDF, to the part that reads, "Product Design and</p> <p>11 Development."</p> <p>12 Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. Could you read that paragraph, please?</p> <p>15 A. "Product design and development. We have</p> <p>16 established a reputation for our creative designs,</p> <p>17 marketing, and trend-right products in affordable</p> <p>18 price points. Our future success will be --</p> <p>19 substantially depend on our ability to continue to</p> <p>20 anticipate and react quickly to changing -- react</p> <p>21 quickly to changing consumer demands. To meet</p> <p>22 this objective, we have developed what we believe</p>	<p style="text-align: right;">Page 68</p> <p>1 BY MR. BUTERMAN:</p> <p>2 Q. Where does Steve Madden learn of the</p> <p>3 current or anticipated trends that its design team</p> <p>4 strives to create designs that match up with?</p> <p>5 MR. COLWELL: Objection. Form.</p> <p>6 MR. GRUNDTVIG: Objection. Form.</p> <p>7 THE WITNESS: The trends or the designs</p> <p>8 can come from anywhere, from looking at what's</p> <p>9 trending in the marketplace to traveling to what's</p> <p>10 happening. As I said, can -- all over. And we</p> <p>11 have teams dedicated to this.</p> <p>12 BY MR. BUTERMAN:</p> <p>13 Q. When you say that trends can include what</p> <p>14 is trending in the marketplace, what do you mean</p> <p>15 by that?</p> <p>16 A. Example: There used to -- backpacks were</p> <p>17 never considered a category in handbags. When</p> <p>18 those started to emerge, we would start to see</p> <p>19 hand -- we would start to see a lot of backpacks.</p> <p>20 That would be something that we would be</p> <p>21 considered a trend, and we would make sure we had</p> <p>22 those -- that trend covered in our brands.</p>
<p style="text-align: right;">Page 67</p> <p>1 is an unparalleled design team and process. Our</p> <p>2 design team strives to create designs that are</p> <p>3 true to our DNA, reflect current or anticipated</p> <p>4 trends, and can be manufactured in a timely and</p> <p>5 cost-effective manner. Most new products are</p> <p>6 tested in select retail stores and on direct</p> <p>7 operated e-commerce websites. Based on these</p> <p>8 tests, among other things, management selects</p> <p>9 products that are then offered for wholesale and</p> <p>10 direct-to-consumer distribution worldwide. We</p> <p>11 believe that our design and testing processes,</p> <p>12 combined with our flexible sourcing model, provide</p> <p>13 our brands with a significant competitive</p> <p>14 advantage and allow us to migrate [sic] the risk</p> <p>15 of incurring costs associated with the production</p> <p>16 and distribution of less desirable designs."</p> <p>17 Q. And is that a truthful and accurate</p> <p>18 statement?</p> <p>19 MR. GRUNDTVIG: Objection.</p> <p>20 MR. COLWELL: Objection. Form.</p> <p>21 THE WITNESS: That is.</p> <p>22</p>	<p style="text-align: right;">Page 69</p> <p>1 Q. In determining which products to design,</p> <p>2 does Steve Madden look to see what types of</p> <p>3 products are selling well at other competitive</p> <p>4 brands?</p> <p>5 MR. COLWELL: Objection. Form.</p> <p>6 Foundation.</p> <p>7 THE WITNESS: I can't answer the question</p> <p>8 that Steve Madden would always know the answer of</p> <p>9 what is selling at other competitive brands. But</p> <p>10 we would use whatever information we have in the</p> <p>11 marketplace to establish items that we wish to</p> <p>12 market.</p> <p>13 BY MR. BUTERMAN:</p> <p>14 Q. Which brands would Steve Madden look to</p> <p>15 when it is trying to understand current or</p> <p>16 anticipated trends?</p> <p>17 MR. GRUNDTVIG: Objection. Form.</p> <p>18 MR. COLWELL: Objection. Form.</p> <p>19 Foundation.</p> <p>20 THE WITNESS: We would look at all brands</p> <p>21 all over the world in all different categories to</p> <p>22 see what is actually happening.</p>

<p style="text-align: right;">Page 70</p> <p>1 BY MR. BUTERMAN:</p> <p>2 Q. When you say all brands all over the</p> <p>3 world, would that include the brands that you</p> <p>4 identified earlier today as luxury brands?</p> <p>5 A. Yes, that would.</p> <p>6 Q. And would that include the brands that</p> <p>7 you, I believe, referred to earlier as accessible</p> <p>8 luxury brands?</p> <p>9 A. Yes. It may.</p> <p>10 Q. Can you look down a little bit further to</p> <p>11 the section on the page in the document that's</p> <p>12 numbered 5 -- it's 7 of your PDF -- entitled,</p> <p>13 "Distribution"?</p> <p>14 A. I see it.</p> <p>15 Q. Do you see the last sentence says, "Our</p> <p>16 top 10 wholesale customers, in no particular</p> <p>17 order, include Nordstrom, Macy's, Dillard's, DSW,</p> <p>18 the JTX [sic] Companies, Ross Stores, Burlington</p> <p>19 Stores, Amazon, Walmart, and Target"?</p> <p>20 A. Yes.</p> <p>21 Q. Is that a truthful and accurate</p> <p>22 statement?</p>	<p style="text-align: right;">Page 72</p> <p>1 We believe effective marketing, favorable brand</p> <p>2 image, fashionable styling, high quality, value,</p> <p>3 and fast manufacturing turnaround are the most</p> <p>4 important competitive forces. We intend to</p> <p>5 continue employ these elements in our business.</p> <p>6 However, we cannot be certain that we will be able</p> <p>7 to compete successfully against our current and</p> <p>8 future competitors or that competitive pressures</p> <p>9 will not have a material adverse effect on our</p> <p>10 business, financial conditions, and results of</p> <p>11 operations."</p> <p>12 Q. A truthful and accurate statement?</p> <p>13 MR. GRUNDVIG: Objection. Form.</p> <p>14 MR. COLWELL: Objection. Form.</p> <p>15 THE WITNESS: Yes.</p> <p>16 BY MR. BUTERMAN:</p> <p>17 Q. Does Steve Madden believe that the</p> <p>18 handbag industry is highly competitive?</p> <p>19 MR. COLWELL: Objection. Form.</p> <p>20 THE WITNESS: Can you just rephrase --</p> <p>21 are you -- is the question Steve Madden Companies</p> <p>22 believe? Is that the question that you're asking?</p>
<p style="text-align: right;">Page 71</p> <p>1 MR. GRUNDVIG: Objection.</p> <p>2 MR. COLWELL: Objection. Form.</p> <p>3 THE WITNESS: Yes.</p> <p>4 BY MR. BUTERMAN:</p> <p>5 Q. The --</p> <p>6 A. One --</p> <p>7 Q. Yes, please.</p> <p>8 A. -- amendment to my answer. You</p> <p>9 pronounced one was JTX. It's actually TJX.</p> <p>10 Q. TJX, I'm sorry.</p> <p>11 A. Yes.</p> <p>12 Q. Thank you for the clarification.</p> <p>13 Could you look at the next page of the</p> <p>14 document and the section that's bolded</p> <p>15 "Competition."</p> <p>16 A. I see it.</p> <p>17 Q. Can you please read that paragraph?</p> <p>18 A. "Competition. The fashion industry is</p> <p>19 highly competitive. We compete with numerous</p> <p>20 domestic and international footwear, apparel, and</p> <p>21 accessory companies. Our competitors may have</p> <p>22 greater financial and other resources than we do.</p>	<p style="text-align: right;">Page 73</p> <p>1 BY MR. BUTERMAN:</p> <p>2 Q. Yes. Does Steve Madden Companies -- do</p> <p>3 Steve Madden Companies believe -- or strike that.</p> <p>4 Does the overall Steve Madden Company</p> <p>5 believe that the handbag industry is highly</p> <p>6 competitive?</p> <p>7 MR. COLWELL: Objection. Form.</p> <p>8 THE WITNESS: Yes.</p> <p>9 BY MR. BUTERMAN:</p> <p>10 Q. Is it true that Steve Madden's handbags</p> <p>11 compete with numerous domestic and international</p> <p>12 companies?</p> <p>13 A. True.</p> <p>14 Q. Do Steve Madden's brands create</p> <p>15 high-quality handbags?</p> <p>16 A. Yes.</p> <p>17 MR. GRUNDVIG: Objection. Form.</p> <p>18 BY MR. BUTERMAN:</p> <p>19 Q. I'm sorry, I couldn't hear your answer,</p> <p>20 Ms. Tichner.</p> <p>21 A. Yes. We have high-quality handbags in</p> <p>22 the price points of which we sell our items.</p>

<p style="text-align: right;">Page 74</p> <p>1 Q. Could you please turn to page 10 of the</p> <p>2 document that's page 12 of your PDF?</p> <p>3 Are you there?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. Do you see the section entitled,</p> <p>6 "Industry Risks"?</p> <p>7 A. I do.</p> <p>8 Q. Could you please read the first bold- --</p> <p>9 bolded italicized header?</p> <p>10 A. "The fashion footwear, accessories, and</p> <p>11 apparel industry is subject to rapid changes in</p> <p>12 consumer preference. If we do not accurately</p> <p>13 anticipate fashion trends and promptly respond to</p> <p>14 consumer demand, we could lose sales, and</p> <p>15 relationship to customers -- relations with</p> <p>16 customers could be harmed and our brand loyalty</p> <p>17 could be diminished."</p> <p>18 Q. With respect to Steve Madden's handbag</p> <p>19 brands, is that correct a truthful and accurate</p> <p>20 statement?</p> <p>21 MR. GRUNDVIG: Objection.</p> <p>22 MR. COLWELL: Objection. Form.</p>	<p style="text-align: right;">Page 76</p> <p>1 increase, just so I'm clear?</p> <p>2 BY MR. BUTERMAN:</p> <p>3 Q. Sure. Sure.</p> <p>4 Do Steve Madden brands ever have to</p> <p>5 increase markdown allowances for customers because</p> <p>6 they have misjudged whether a particular bag would</p> <p>7 sell?</p> <p>8 MR. COLWELL: Objection. Form.</p> <p>9 MR. GRUNDVIG: Objection.</p> <p>10 THE WITNESS: Yes.</p> <p>11 BY MR. BUTERMAN:</p> <p>12 Q. Could you read the next bolded italicized</p> <p>13 sentence?</p> <p>14 A. That begins with "We face"?</p> <p>15 Q. Yes.</p> <p>16 A. "We face intense competition from both</p> <p>17 established companies and newer entrants into the</p> <p>18 market. Our failure to compete effectively could</p> <p>19 cause our market share to decline, which could</p> <p>20 harm our reputation and have a material impact on</p> <p>21 our financial condition, results of operation, and</p> <p>22 liquidity."</p>
<p style="text-align: right;">Page 75</p> <p>1 THE WITNESS: Yes.</p> <p>2 BY MR. BUTERMAN:</p> <p>3 Q. If you look in the paragraph that follows</p> <p>4 below, do you see the sentence that says, "If we</p> <p>5 misjudge"? It's about halfway through.</p> <p>6 A. Yes, I see the sentence.</p> <p>7 Q. Could you please read that sentence?</p> <p>8 A. "If we misjudge the market for our</p> <p>9 products, we may be faced with significant excess</p> <p>10 inventory for some products and missed opportunity</p> <p>11 as to others. In addition, misjudgments in</p> <p>12 merchandise selection could adversely affect our</p> <p>13 image with the customers, resulting in lower sales</p> <p>14 and increased markdown allowances for customers,</p> <p>15 which could have a material adverse effect on our</p> <p>16 business, financial conditions, results of</p> <p>17 operations, and liquidity."</p> <p>18 Q. Do Steve Madden brands ever have to</p> <p>19 increase markdowns for customers for handbags?</p> <p>20 MR. COLWELL: Objection. Form.</p> <p>21 THE WITNESS: Can you qualify what you</p> <p>22 mean as increase? From what starting point is the</p>	<p style="text-align: right;">Page 77</p> <p>1 Q. Do Steve Madden's handbag brands face</p> <p>2 intense competition from both established</p> <p>3 companies and newer entrants into the market?</p> <p>4 MR. COLWELL: Objection. Form.</p> <p>5 THE WITNESS: Yes.</p> <p>6 BY MR. BUTERMAN:</p> <p>7 Q. Can you please read the next sentence?</p> <p>8 A. The one that begins --</p> <p>9 Q. Yes.</p> <p>10 A. -- "The fashion"</p> <p>11 "The fashion footwear, accessories, and</p> <p>12 apparel industry is highly competitive, and</p> <p>13 barriers to entry are low. Our competitors</p> <p>14 include" --</p> <p>15 Q. That's okay. If you could just stop</p> <p>16 right there.</p> <p>17 A. Okay.</p> <p>18 Q. Within the handbag space -- strike that.</p> <p>19 Does Steve Madden consider the handbag</p> <p>20 space to be highly competitive?</p> <p>21 A. Yes.</p> <p>22 Q. Does Steve Madden believe that, in the</p>

<p style="text-align: right;">Page 78</p> <p>1 handbag space, barriers to entry are low?</p> <p>2 MR. COLWELL: Objection. Form.</p> <p>3 Foundation.</p> <p>4 THE WITNESS: Yes.</p> <p>5 BY MR. BUTERMAN:</p> <p>6 Q. Could you read the next sentence? "Our</p> <p>7 competitors" --</p> <p>8 A. "Our competitors" --</p> <p>9 Q. Sorry.</p> <p>10 A. -- "include specialty companies as well</p> <p>11 as companies with diversified product lines."</p> <p>12 Q. In the handbag space, do Steve Madden's</p> <p>13 competitors include specialty companies, as well</p> <p>14 as companies with diversified product lines?</p> <p>15 A. Yes.</p> <p>16 Q. The next sentence reads, "Market growth</p> <p>17 in the sale of fashion footwear, accessories, and</p> <p>18 apparel has encouraged the entry of many new</p> <p>19 competitors and increased competition from</p> <p>20 established companies."</p> <p>21 Do you see that?</p> <p>22 A. I do.</p>	<p style="text-align: right;">Page 80</p> <p>1 BY MR. BUTERMAN:</p> <p>2 Q. Do you see the next sentence that's</p> <p>3 bolded and italicized?</p> <p>4 A. That begins with "If we"?</p> <p>5 Q. Yes. Yes.</p> <p>6 A. I do see it.</p> <p>7 Q. Could you read that sentence, please?</p> <p>8 A. "If we and the retailers that our</p> <p>9 customers are unable to adapt to recent and</p> <p>10 anticipated changes in the retail industry, the</p> <p>11 sale of our products may decline, which could have</p> <p>12 a material adverse effect on our financial</p> <p>13 condition, results of operation, and liquidity."</p> <p>14 Q. And if you look down a couple of</p> <p>15 sentences, do you see the sentence that begins,</p> <p>16 "Changing shopping patterns"?</p> <p>17 A. I see that sentence.</p> <p>18 Q. Could you read that sentence, please?</p> <p>19 A. "Changing shopping patterns, including</p> <p>20 the rapid expansion of online retail shopping and</p> <p>21 the effect of the COVID-19 pandemic have adversely</p> <p>22 affected consumer traffic in mall and outlet</p>
<p style="text-align: right;">Page 79</p> <p>1 Q. In the handbag space, does Steve Madden</p> <p>2 believe that market growth and sales has</p> <p>3 encouraged new entry of many new competitors and</p> <p>4 increased competition from established companies?</p> <p>5 MR. COLWELL: Objection. Form.</p> <p>6 THE WITNESS: Yes.</p> <p>7 BY MR. BUTERMAN:</p> <p>8 Q. If you look down a couple of sentences it</p> <p>9 says, "Increased competition could result in</p> <p>10 pricing pressures, increased marketing</p> <p>11 expenditures, and loss of market share and could</p> <p>12 have a material effect -- adverse effect on our</p> <p>13 business, financial condition, results of</p> <p>14 operations, and liquidity."</p> <p>15 Do you see that?</p> <p>16 A. Yes.</p> <p>17 Q. Does Steve Madden believe that, in the</p> <p>18 handbag space, increased competition could result</p> <p>19 in pricing pressures, increased marketing</p> <p>20 expenditures, and loss of market share?</p> <p>21 MR. COLWELL: Objection. Form.</p> <p>22 THE WITNESS: Yes.</p>	<p style="text-align: right;">Page 81</p> <p>1 centers, particularly in North America."</p> <p>2 Q. Does Steve Madden believe that, in the</p> <p>3 handbag sector, changing shopping patterns,</p> <p>4 including the rapid expansion of online retail</p> <p>5 shopping and the effects of COVID -- of the</p> <p>6 COVID-19 pandemic, have adversely affected</p> <p>7 customer traffic in malls and outlet centers,</p> <p>8 particularly in North America?</p> <p>9 MR. GRUNDVIG: Objection.</p> <p>10 MR. COLWELL: Objection. Form.</p> <p>11 THE WITNESS: Yes.</p> <p>12 BY MR. BUTERMAN:</p> <p>13 Q. The next sentence says, "We expect</p> <p>14 competition in the e-commerce market will</p> <p>15 intensify."</p> <p>16 Do you see that?</p> <p>17 A. Just a moment.</p> <p>18 Yes, I do.</p> <p>19 Q. Does Steve Madden believe -- excuse me,</p> <p>20 strike that.</p> <p>21 Does Steve Madden expect that competition</p> <p>22 in the e-commerce market will intensify with</p>

<p style="text-align: right;">Page 82</p> <p>1 respect to handbags?</p> <p>2 MR. GRUNDTVIG: Objection.</p> <p>3 THE WITNESS: Yes.</p> <p>4 BY MR. BUTERMAN:</p> <p>5 Q. The next sentence says, "As a greater</p> <p>6 portion of consumer expenditures with retailers</p> <p>7 occurs online and through mobile commerce</p> <p>8 applications, our brick-and-mortar retail</p> <p>9 customers who fail to successfully integrate their</p> <p>10 physical retail stores and digital retail may</p> <p>11 experience financial difficulties, including store</p> <p>12 closures, bankruptcies, or liquidations."</p> <p>13 Do you see that?</p> <p>14 A. I do.</p> <p>15 Q. Does Steve Madden believe that its</p> <p>16 brick-and-mortar retail customers need to</p> <p>17 successfully integrate their physical retail</p> <p>18 stores and digital retail in order to avoid</p> <p>19 experiencing financial difficulties when it comes</p> <p>20 to handbag sales?</p> <p>21 MR. COLWELL: Objection. Form.</p> <p>22 MR. GRUNDTVIG: Objection. Form.</p>	<p style="text-align: right;">Page 84</p> <p>5 BY MR. BUTERMAN:</p> <p>6 Q. Are those the only brands at Macy's that</p> <p>7 Steve Madden believes it competes with?</p> <p>8 A. Can you qualify if you are referring only</p> <p>9 to brick-and-mortar or to Macy's business overall?</p> <p>10 Q. Is there a different answer with respect</p> <p>11 to each of those?</p> <p>12 A. You -- yes.</p> <p>13 Q. Okay. Could you explain how the answer</p> <p>14 is different with respect to each of those?</p> <p>15 A. You might have additional handbag brands</p> <p>16 that are direct-to-consumer that may not be on the</p> <p>17 floor in an adjacency to Steve Madden brands in</p> <p>18 the doors that we sell in at Macy's.</p> <p>19 Q. Okay. So with respect to Macy's overall</p> <p>20 business, are there any additional brands that</p> <p>21 Steve Madden believes it competes with beyond the</p> <p>22 ones you've already mentioned?</p>
<p style="text-align: right;">Page 83</p> <p>1 THE WITNESS: Yes.</p> <p>2 BY MR. BUTERMAN:</p> <p>3 Q. At the beginning of the deposition,</p> <p>4 counsel for the FTC asked you whether you have any</p> <p>5 role related to analyzing competition.</p> <p>6 Do you recall him asking you that?</p> <p>7 A. Yes.</p> <p>8 Q. Your answer was that you are actively</p> <p>9 responsible for always being conscious of other</p> <p>10 brands that are selling handbags in the same</p> <p>11 retailers that you are operating in.</p> <p>12 Do you recall giving that answer?</p> <p>13 A. Yes.</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p>	<p style="text-align: right;">Page 85</p> <p>1 A. I think any brand --</p> <p>2 MR. COLWELL: Objection. Form.</p> <p>3 Foundation. Pardon me.</p> <p>4 BY MR. BUTERMAN:</p> <p>5 Q. Go ahead.</p> <p>6 A. I think any brand that is selling</p> <p>7 handbags in the same retailer that I am selling</p> <p>8 handbags in would be viewed as competition.</p> <p>9 Q. So do Steve Madden's handbags compete</p> <p>10 with Michael Kors' handbags at Macy's?</p> <p>11 A. We all compete for the same space on the</p> <p>12 floor and the consumer shopping that floor.</p> <p>13 Q. Is that a yes?</p> <p>14 A. Yes.</p> <p>15 Q. Do Steve Madden's bags compete with</p> <p>16 Kate Spade's bags at Macy's?</p> <p>17 A. Yes.</p> <p>18 Q. Do Steve Madden's bags compete with</p> <p>19 Coach's bags at Macy's?</p> <p>20 A. Yes.</p> <p>21 Q. Do Steve Madden's bags compete with</p> <p>22 Michael Kors' bags at Dillard's?</p>

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1 The brands in the accessible luxury
2 grouping that you identified earlier today, those
3 brands nonetheless compete with the Steve Madden
4 brands, correct?

5 MR. COLWELL: Objection --

6 MR. GRUNDVIG: Objection --

7 MR. COLWELL: -- form.

8 MR. GRUNDVIG: -- form.

9 THE WITNESS: Correct.

10 BY MR. BUTERMAN:

11 Q. When counsel asked you to identify brands
12 that were in the accessible luxury grouping, you
13 said that there were a lot.

14 Do you recall that?

15 MR. COLWELL: Objection. Form.

16 THE WITNESS: Yes.

17 BY MR. BUTERMAN:

[REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]

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10 Q. Any others you can think of?

11 A. That's a good list, a good portion of

12 them.

13 MR. BUTERMAN: Why don't we take a break.

14 VIDEO TECHNICIAN: Going off the record.

15 The time is 12:16 p.m.

16 (A recess was taken.)

17 VIDEO TECHNICIAN: Going back on the

18 record. The time is 12:30 p.m.

19 BY MR. BUTERMAN:

20 Q. Ms. Tichner, earlier today counsel asked

21 you questions about which segment of the handbag

22 business you believed the Steve Madden brands fit

Page 90	Page 92
<p>1 into.</p> <p>2 Do you recall that?</p> <p>3 A. Yes.</p> <p>4 Q. And which segment did you identify that</p> <p>5 the Steve Madden brands belonged to?</p> <p>6 MR. COLWELL: Objection. Asked and</p> <p>7 answered.</p> <p>8 THE WITNESS: I gave -- I said it was</p> <p>9 entry-level trend, sometimes referred to as</p> <p>10 moderate -- that's not my favorite title. There</p> <p>11 are several names for it.</p> <p>12 BY MR. BUTERMAN:</p> <p>13 Q. And your testimony is that all of the</p> <p>14 Steve Madden brands -- Steve Madden, Betsey</p> <p>15 Johnson, Love Betsey, Dolce Vita, and</p> <p>16 Anne Klein -- would all fall into those segments;</p> <p>17 is that correct?</p> <p>18 A. To make sure -- to correct or</p> <p>19 quantify [sic], Dolce Vita would fall outside of</p> <p>20 those brands.</p> <p>21 Q. And where would Dolce Vita qualify, in</p> <p>22 your view?</p>	<p>1 MR. GRUNDVIG: Objection. Form.</p> <p>2 THE WITNESS: The titles or the headers</p> <p>3 or however you like to qualify these brands can</p> <p>4 vary from retailer to retailer. What is</p> <p>5 consistent are the brands that each retailer</p> <p>6 sells. That is where the brands compete.</p> <p>7 BY MR. BUTERMAN:</p> <p>8 Q. Okay. So just so we're clear, for</p> <p>9 example, the brands that you've identified as</p> <p>10 designer, like Kate Spade and Michael Kors, in</p> <p>11 Macy's are competing with brands that are also in</p> <p>12 the opening price point or contemporary, correct?</p> <p>13 MR. COLWELL: Objection. Form.</p> <p>14 MR. GRUNDVIG: Objection. Form.</p> <p>15 THE WITNESS: Correct.</p> <p>16 BY MR. BUTERMAN:</p> <p>17 Q. Are you familiar with a -- you're</p> <p>18 familiar with a company called Stella McCartney?</p> <p>19 A. Yes.</p> <p>20 Q. Stella McCartney -- where would you</p> <p>21 classify Stella McCartney in terms of its</p> <p>22 products? Would they be in the luxury space?</p>
Page 91	Page 93
<p>1 A. Contemporary brands.</p> <p>2 Q. Is contemporary different than designer?</p> <p>3 A. The titles that we're throwing around</p> <p>4 here are often inter-used or are used by different</p> <p>5 retailers in different places. For example, one</p> <p>6 department store might refer to a brand as</p> <p>7 designer, where another department store might</p> <p>8 refer to that same brand as a contemporary</p> <p>9 designer.</p> <p>10 Q. Okay.</p> <p>11 A. Or contemporary.</p> <p>12 Q. Okay. So just so we're clear, the fact</p> <p>13 that a company -- strike that.</p> <p>14 Just so we're clear, the fact that a</p> <p>15 handbag brand may be referred to as opening price</p> <p>16 point, moderate, contemporary, designer, that</p> <p>17 doesn't say anything about whether it's competing</p> <p>18 -- strike that.</p> <p>19 Do these designations have anything to do</p> <p>20 with whether brands are competing with one</p> <p>21 another?</p> <p>22 MR. COLWELL: Objection. Form.</p>	<p>1 A. Yes. I would classify Stella McCartney</p> <p>2 as a true designer or luxury designer.</p> <p>3 Q. Are you familiar with a company called</p> <p>4 Balenciaga?</p> <p>5 A. I am familiar with that company.</p> <p>6 Q. Would you consider Balenciaga to be a</p> <p>7 luxury designer?</p> <p>8 A. Yes.</p> <p>9 Q. Are you familiar with a company called</p> <p>10 Valentino?</p> <p>11 A. Yes.</p> <p>12 Q. Would you consider Valentino to be a</p> <p>13 luxury designer?</p> <p>14 A. Yes.</p> <p>15 Q. You are aware that Stella McCartney,</p> <p>16 Balenciaga, and Valentino, have all claimed in</p> <p>17 various litigations that they have lost sales to</p> <p>18 Steve Madden brands, correct?</p> <p>19 MR. GRUNDVIG: Objection.</p> <p>20 MR. COLWELL: Objection. Form.</p> <p>21 Foundation.</p> <p>22 THE WITNESS: I don't believe that I</p>

<p style="text-align: right;">Page 94</p> <p>1 prepared to answer that question.</p> <p>2 BY MR. BUTERMAN:</p> <p>3 Q. Okay. I'm just asking if you happen to</p> <p>4 be aware as to whether those luxury brands --</p> <p>5 Balenciaga, Stella McCartney, and Valentino have</p> <p>6 claimed that they have lost sales to Steve Madden</p> <p>7 brands for handbags.</p> <p>8 MR. COLWELL: Objection. Form. And</p> <p>9 foundation.</p> <p>10 THE WITNESS: Can you just repeat the</p> <p>11 verbiage one more time so I'm --</p> <p>12 BY MR. BUTERMAN:</p> <p>13 Q. Sure. Yeah. And just to be clear, so</p> <p>14 you know, I'm not planning on going into any of</p> <p>15 the details. This is just the one question that I</p> <p>16 have on this topic.</p> <p>17 Are you aware that luxury brands like</p> <p>18 Stella McCartney, Balenciaga, and Valentino have</p> <p>19 all claimed that they have lost sales to Steve</p> <p>20 Madden?</p> <p>21 MR. COLWELL: Objection. Form and</p> <p>22 foundation.</p>	<p style="text-align: right;">Page 96</p> <p>1 that was part of the claim or part of the --</p> <p>2 whatever the documentation -- whatever you want --</p> <p>3 you know, whatever the complaint is. I'm not sure</p> <p>4 what's exactly included in the complaint.</p> <p>5 BY MR. BUTERMAN:</p> <p>6 Q. Sure.</p> <p>7 Okay. I'm sorry, I'm just going to</p> <p>8 introduce the documents. I'm just doing this to</p> <p>9 refresh your recollection. I apologize.</p> <p>10 A. Okay.</p> <p>11 MR. BUTERMAN: Can we have tab 16 put</p> <p>12 into the Exhibit Share? And that will be DX708.</p> <p>13 (Tichner Deposition Exhibit DX708 marked</p> <p>14 for identification and attached to the</p> <p>15 transcript.)</p> <p>16 MR. BUTERMAN: And to save time, can we</p> <p>17 have tab 17 put into the Exhibit Share? That will</p> <p>18 be DX709.</p> <p>19 (Tichner Deposition Exhibit DX709 marked</p> <p>20 for identification and attached to the</p> <p>21 transcript.)</p> <p>22 MR. BUTERMAN: And let's have tab 15 put</p>
<p style="text-align: right;">Page 95</p> <p>1 MR. GRUNDTVIG: Objection.</p> <p>2 THE WITNESS: Are you -- just to clarify,</p> <p>3 is it Steve Madden handbags or Steve Madden, the</p> <p>4 company?</p> <p>5 BY MR. BUTERMAN:</p> <p>6 Q. Steve Madden handbags.</p> <p>7 A. I'm not a hundred percent if it's</p> <p>8 specific -- all those three are specific to</p> <p>9 handbags --</p> <p>10 Q. Okay.</p> <p>11 A. -- but I am --</p> <p>12 Q. Please continue. I'm sorry.</p> <p>13 A. I'm aware that there have been some</p> <p>14 documents or cases that have been brought up about</p> <p>15 those particular brands.</p> <p>16 Q. Are you aware of any of those brands,</p> <p>17 whether they have claimed that, with respect to</p> <p>18 handbags specifically, they have lost sales to</p> <p>19 Steve Madden brands?</p> <p>20 MR. COLWELL: Objection. Form.</p> <p>21 THE WITNESS: I can't answer that</p> <p>22 completely. I'm not a hundred percent sure if</p>	<p style="text-align: right;">Page 97</p> <p>1 into the Exhibit Share as DX710.</p> <p>2 (Tichner Deposition Exhibit DX710 marked</p> <p>3 for identification and attached to the</p> <p>4 transcript.)</p> <p>5 MR. GRUNDTVIG: Which tab do you want</p> <p>6 first? Or which document?</p> <p>7 MR. BUTERMAN: You know what? What I</p> <p>8 actually would like the witness to do is to take</p> <p>9 just a quick look at them to --</p> <p>10 THE WITNESS: Sure.</p> <p>11 MR. BUTERMAN: -- see if this answers the</p> <p>12 less than hundred percent sure that the witness</p> <p>13 was about whether there were certain claims</p> <p>14 related to handbags.</p> <p>15 THE WITNESS: I can answer the questions</p> <p>16 now.</p> <p>17 MR. BUTERMAN: Okay. Great. Let me just</p> <p>18 go back to the transcript to make sure I don't</p> <p>19 forget it. But thank you.</p> <p>20 BY MR. BUTERMAN:</p> <p>21 Q. Ms. Tichner, are you aware as to whether</p> <p>22 Balenciaga, Stella McCartney, and Valentino, which</p>

Page 100

[REDACTED]

[REDACTED]

(b) [REDACTED]

(c) [REDACTED]

[REDACTED]

1. [REDACTED]
 2. [REDACTED]
 3. [REDACTED]
 4. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Page 10

1 [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]

1. [REDACTED]

2. [REDACTED]

_____, _____

_____, _____

[REDACTED]

[REDACTED]

17 Q. Earlier today, Ms. Tichner, you talked
18 about handbags for sale at Macy's.

19 Do you recall that?

20 A. Yes.

21 Q. Do you have any role or responsibilities
22 related to how Steve Madden's handbags are placed

26 (Pages 08 - 10)

26 (Pages 08 - 10)

<p style="text-align: right;">Page 102</p> <p>1 in Macy's stores?</p> <p>2 MR. BUTERMAN: Objection. Form.</p> <p>3 THE WITNESS: Can you just qualify the</p> <p>4 word "placed," just so I'm clear on...</p> <p>5 BY MR. COLWELL:</p> <p>6 Q. Yes. I'm referring to the brand or</p> <p>7 product placement in the store. The location</p> <p>8 within the store, if that makes sense.</p> <p>9 A. We have some input into the particular</p> <p>10 doors of Macy's that we are in. But ultimately,</p> <p>11 the department store makes the decision as to</p> <p>12 which brands they have in each separate</p> <p>13 brick-and-mortar.</p> <p>14 Q. At Macy's brick-and-mortar retail stores,</p> <p>15 what handbag brands are most frequently placed</p> <p>16 besides Steve Madden's handbags in the store?</p> <p>17 MR. BUTERMAN: Objection.</p> <p>18 MR. GRUNDVIG: Objection. Form.</p> <p>19 THE WITNESS: Just to clarify, are you</p> <p>20 asking the other brands that are distributed in</p> <p>21 the same door count that I'm in or just overall in</p> <p>22 Macy's?</p>	<p style="text-align: right;">Page 104</p> <p>2 BY MR. COLWELL:</p> <p>3 Q. Do you know why that's the case that</p> <p>4 they're placed close to each other?</p> <p>5 MR. BUTERMAN: Objection. Calls for</p> <p>6 speculation.</p> <p>7 MR. GRUNDVIG: Objection.</p> <p>8 THE WITNESS: They merchandise their</p> <p>9 floor in different areas designated by different</p> <p>10 features.</p> <p>11 BY MR. COLWELL:</p> <p>12 Q. What sorts of features?</p> <p>13 MR. BUTERMAN: Objection. Form. Calls</p> <p>14 for speculation.</p> <p>15 THE WITNESS: Price point, end use,</p> <p>16 classification.</p> <p>17 MR. COLWELL: Ms. Tichner, those are all</p> <p>18 the questions I have for you today. But I want to</p> <p>19 thank you again for your time.</p> <p>20 We can go off the record.</p> <p>21 MR. BUTERMAN: Actually, you have to at</p> <p>22 least allow me to say that I have no further</p>
<p style="text-align: right;">Page 103</p> <p>1 BY MR. COLWELL:</p> <p>2 Q. I'm actually asking about the products'</p> <p>3 placement within the store next to other brands.</p> <p>4 A. Can you just please rephrase?</p> <p>5 Q. Sure.</p> <p>6 A. Yeah.</p> <p>7 Q. In Macy's, do Steve Madden's handbags</p> <p>8 appear beside handbags from other brands within</p> <p>9 the store?</p> <p>10 A. Yes.</p> <p>11 Q. In Macy's still, are Steve Madden's</p> <p>12 handbags placed close to any other brands in</p> <p>13 particular, to your knowledge?</p> <p>14 MR. BUTERMAN: Object to form.</p> <p>15 THE WITNESS: Yes.</p> <p>16 BY MR. COLWELL:</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p>	<p style="text-align: right;">Page 105</p> <p>1 questions, which is the case --</p> <p>2 MR. COLWELL: I was going to ask you off</p> <p>3 the record that --</p> <p>4 MR. BUTERMAN: That's okay.</p> <p>5 I don't have any further questions, so</p> <p>6 we're done. Ms. Tichner, thank you very much for</p> <p>7 your time.</p> <p>8 THE WITNESS: Thank you.</p> <p>9 VIDEO TECHNICIAN: We are off the record</p> <p>10 at 1:01 p.m. This concludes today's testimony</p> <p>11 given by Sloan Tichner. The total number of media</p> <p>12 units used is seven and will be retained by</p> <p>13 Veritext.</p> <p>14 (Whereupon at 1:01 p.m., the confidential</p> <p>15 videotaped deposition of ANISH MEWANI was</p> <p>16 concluded.)</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>

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1 CERTIFICATE OF NOTARY PUBLIC

2 I, CHRISTINA S. HOTSKO, the officer before
3 whom the foregoing deposition was taken, do hereby
4 certify that the witness whose testimony appears in
5 the foregoing deposition was duly sworn by me; that
6 the testimony of said witness was taken by me in
7 stenotypy and thereafter reduced to typewriting under
8 my direction; that said statement is a true record of
9 the proceedings; that I am neither counsel for,
10 related to, nor employed by any of the parties to the
11 action in which this statement was taken; and,
12 further, that I am not a relative or employee of any
13 counsel or attorney employed by the parties hereto,
14 nor financially or otherwise interested in the
15 outcome of this action.

16
17 

18 CHRISTINA S. HOTSKO

19 Notary Public in and for the

20 District of Columbia

21 My commission expires:

22 1 January 2027

Federal Rules of Civil Procedure

Rule 30

(e) Review By the Witness; Changes.

(1) Review; Statement of Changes. On request by the deponent or a party before the deposition is completed, the deponent must be allowed 30 days after being notified by the officer that the transcript or recording is available in which:

(A) to review the transcript or recording; and

(B) if there are changes in form or substance, to sign a statement listing the changes and the reasons for making them.

(2) Changes Indicated in the Officer's Certificate. The officer must note in the certificate prescribed by Rule 30(f)(1) whether a review was requested and, if so, must attach any changes the deponent makes during the 30-day period.

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COMPANY CERTIFICATE AND DISCLOSURE STATEMENT

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Veritext Legal Solutions is committed to maintaining the confidentiality of client and witness information, in accordance with the regulations promulgated under the Health Insurance Portability and Accountability Act (HIPAA), as amended with respect to protected health information and the Gramm-Leach-Bliley Act, as amended, with respect to Personally Identifiable Information (PII). Physical transcripts and exhibits are managed under strict facility and personnel access controls. Electronic files of documents are stored in encrypted form and are transmitted in an encrypted

fashion to authenticated parties who are permitted to access the material. Our data is hosted in a Tier 4 SSAE 16 certified facility.

Veritext Legal Solutions complies with all federal and State regulations with respect to the provision of court reporting services, and maintains its neutrality and independence regardless of relationship or the financial outcome of any litigation. Veritext requires adherence to the foregoing professional and ethical standards from all of its subcontractors in their independent contractor agreements.

Inquiries about Veritext Legal Solutions' confidentiality and security policies and practices should be directed to Veritext's Client Services Associates indicated on the cover of this document or at www.veritext.com.